

OPTION
AND
WATER RIGHTS PURCHASE AGREEMENT
("Agreement")

This Agreement is made and entered into this 3rd day of November, 2015 ("Effective Date") by and between Intermountain Water Supply, Ltd., a Nevada limited liability company ("Seller") and Baran Global Engineering Ltd., an Israeli company ("Baran") and Galileo NV, LLC, an Illinois limited liability company ("Galileo"); (Baran and Galileo collectively "Buyers").

RECITALS

A. Seller is a Nevada limited liability company, in good standing that has developed an approved municipal water project which consists of groundwater permits in Bedel Flat, Washoe County (368.1 acre feet annually, "afa"), Lower Dry Valley, Washoe County, (2,000 afa), Newcomb Lake (200 afa) and Upper Dry Valley (996 afa) for use in Lemmon Valley, Nevada, ("Water Rights") together with easements, right-of-way grants ("Easements") five, six-inch (6") test wells, and one twelve (12") inch well, all as more particularly described on Exhibit A, attached hereto; ("Seller's Project").

B. Seller has been working with Utilities Inc., Nevada ("UIN"), the Nevada Public Utilities Commission ("PUCN") certificated water purveyor in the Cold Springs area of Washoe County Nevada, to use Seller's Project water for planned developments in the Cold Springs area ("Planned Developments").

C. Seller has been in discussions with certain developers in the Cold Springs area with respect to Seller's water being used to supply water to UIN for service to the Planned Developments in the Cold Springs area.

D. Subject to Buyers' satisfactory investigation of Seller's Project as provided herein, Buyers' desire to buy Seller's Project and Seller is willing to sell Seller's Project on the terms set forth herein.

E. Seller and Buyers are executing only the Option part of this Agreement, including the terms of purchase. Buyers reserve the right to review, make appropriate changes, and approve or reject any clause pertaining to the documentation of the purchase of Seller's Project (the "Review Right"). Specifically, the Review Right shall apply, but is not limited to, the following Exhibits: B, B(a), B(b), B(c), B(d), B(e), B(f), B(g), B(h) and B(i).

F. Pipeline. Buyers shall design, permit and build a water conveyance system including collector fields, wells, pumps, motors, lift station(s), power lines and controls to transport water from its sources to end-users in Lemmon Valley and/or Cold Springs (collectively, *Rev. M.* the "Pipeline").

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G. Pipeline Completion. The point in time in which the construction of the Pipeline has been completed, tested and given the required permits to start the operation of the Pipeline, shall be referred to as the "Pipeline Completion."

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Seller and Buyers agree as follows:

1. Grant of Option:

(a) Grant: Seller hereby grants to Buyers the exclusive right and option ("Option") to purchase all of Seller's right, title and interest in and to Seller's Project on the terms and conditions set forth herein.

(b) Price and term of Option: (a) on the Effective Date hereof, Buyers shall deliver to Seller the sum of \$20,000.00 ("Option Payment No. 1"), represented by Buyers' certified check, as and for the initial non-refundable option payment which shall entitle the Buyers to have the exclusive right and option to purchase Seller's Project for a period of three calendar months from the Effective Date, ending on the same day of the third month at 5:00 p.m., Reno, Nevada time; (b) Buyers may extend the exclusive option period for an additional three months by delivering to Seller the non-refundable sum of \$20,000.00 ("Option Payment No. 2") on or before close of business (5:00 p.m.) on the same day of the third month following the Effective Date ("First Expiration Date"). The time during which the Option is in effect is the "Option Period." The date on the same day of the sixth month following the Effective Date is the "Second Expiration Date".

(c) Exercise of Option: The option granted herein shall be exercised by Buyers depositing the sum of \$1,000,000.00 cash in escrow (less the option payments ("Down Payment") at First Centennial Title Company of Nevada, 1450 Ridgeview Drive, Suite 100, Reno, Nevada 89510 ("Escrow Agent") during the Option Period to be held and disbursed pursuant to the Instructions attached hereto as Exhibit B. On deposit of said sum in escrow, the option shall be deemed exercised and Buyers shall be obligated to pay the entire purchase price pursuant to the terms hereof, and Seller shall be obligated to deliver the Seller's Project to Buyers pursuant to the terms hereof. Failure to timely make the Down Payment during the Option Period shall end this Agreement and neither Buyers nor Seller shall have any further obligation hereunder.

2. Due Diligence Period of Buyers:

The Option Period shall be Buyers' Due Diligence Period. Within ten (10) days of the Effective Date hereof, Seller shall furnish Buyers,

(a) all of the Seller's water permits which constitute the water of Seller's Project, including current extensions of time, described on Exhibit A,

(b) all of Seller's right-of-way grants and easements for portions of Seller's Project, described on Exhibit A, ^{n.v.m.}
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(c) the Washoe County Special Use Permit,

- (d) Seller's Plan of Development,
- (e) Seller's UEPA application to the PUCN,
- (f) all groundwater monitoring plans,
- (g) copies of studies, models, cost estimates, engineering plans, and pump test reports prepared by or for Seller and described on Exhibit A,
- (h) Record of Decision (ROD) issued by the United States Department of the Interior, Bureau of Land Management, pursuant to the Environmental Impact Statement conducted with respect to a portion of Seller's Project. Seller shall furnish such other information in its possession to Buyers during the Due Diligence period as Buyers may reasonably request, and
- (i) During the Due Diligence Period, Buyers shall have access to all of Seller's well sites and easements and shall have the right to conduct such tests and studies and engineering and hydrologic investigations as Buyers deems necessary, including pump tests on Seller's test wells in Lower Dry Valley and on Seller's existing well in Bedell Flat.

Buyers agree to indemnify and save Seller free and harmless of and from all loss, liability or damage which Seller may suffer as a result of Buyers' activities conducted during the Due Diligence Period, by Buyers, their agents, servants, employees, subcontractors and business invitees.

3. Alleged Defects:

If during the Due Diligence Period, Buyers determine a material defect or defects in Seller's title to the Water Rights or Easements or that the same are not in good standing or are encumbered, Buyers shall promptly notify Seller in writing of such alleged defect or defects and Seller shall attempt to remedy such alleged defect or defects during the Due Diligence Period. If the alleged defect involves pending case CV15-01257 before the Washoe County, Nevada District Court, which is a petition for judicial review of the State Engineer's decision granting Seller an extension of time to perfect its Dry Valley Permits, in which Seller is an intervenor (the "Case"), Exercise of Option will be extended as herein set forth. A Case Resolution in favor of the State Engineer's decision shall be referred to as the "Resolution," and its court ruling date shall be referred to as the "Resolution Date." If the Resolution Date occurs on or after the Second Expiration Date, Exercise of Option shall be deferred until three (3) months after the Resolution Date (the "Extended Option Date"). If the Case is not resolved by June 30, 2017, Buyers shall have the right to terminate this Agreement. The term Resolution also means the non-existence, or disposition, of appeals to the Nevada Supreme Court. (Collectively, the "Alleged Material Defects".)

If the other Alleged Material Defects are not resolved within six (6) months from the Effective Date, Seller shall have six (6) months to resolve such Alleged Material Defects from the date of notification and the Second Expiration Date shall be extended accordingly. If the Alleged Material Defects are not resolved within the time provided herein, Buyers may either not exercise the option to purchase Seller's Project or may purchase Seller's Project subject to the Alleged Material Defects.

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If the only remaining defect is the Case, and the Option Period is extended beyond the Second Expiration Date (but not beyond June 30, 2017), Buyers shall be obligated to buy and Seller shall be obligated to sell Seller's Project on the terms set forth herein provided the Resolution has occurred between said dates.

4. Payment and Disbursement of Purchase Price to Seller:

The total purchase price for Seller's Project is \$8,000,000.00 to be paid as follows:

(a) The sum of \$1,000,000.00 on exercise of this Option (less the Option Payments) as and for Buyers' down payment ("Initial Payment");

(b) The sum of \$3,000,000.00 on or before six (6) months after exercise of this Option ("First Note Payment"); and

(c) The sum of \$4,000,000.00 on or before nine (9) months after exercise of this Option ("Final Note Payment").

The unpaid balance of the Purchase Price shall be paid as set forth in the Promissory Note attached to the Escrow Instructions (Exhibit B) and shall not bear interest.

The unpaid balance of the Purchase Price shall be secured by a first deed of trust covering the Water Rights and Easements and by a financing statement filed pursuant to Nevada's Uniform Commercial Code covering personal property and equipment and intangibles. This Option and Water rights Purchase Agreement shall be the security agreement between the parties.

On close of escrow (a) the down payment shall be paid to Seller, less Seller's share of costs through escrow, (b) Seller's conveyancing documents as described in Exhibit B, shall be recorded and delivered as required by law, and (c) the deed of trust and financing statements shall be recorded and filed as required by law.

5. Title:

(a) Water Rights: all water rights permits shall stand in the name of Seller, be in good standing on the records of the Nevada State Engineer and shall be free and clear of all encumbrances and claims of others except as may be acceptable to Buyers.

(b) All Easements shall be in full force and effect according to their terms.

(c) It is understood that title companies do not insure title to water rights.

During the Option Period, Seller shall maintain the Water Rights and Easements in good standing and shall make such annual filings and pay such fees as may be necessary to keep the Water Rights and Easements in good standing.

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6. Seller's Representations and Warranties:

(a) That Seller has the power and authority to enter into this Agreement and to consummate the transaction contemplated hereby; that the persons signing this Agreement have the power and authority to sign on behalf of and to bind the Seller to the agreements herein contained.

(b) That to the best of Seller's knowledge, all documents and papers delivered by Seller to Buyers are true and complete.

(c) There are no outstanding or delinquent taxes on any of the property comprising Seller's Project.

(d) There is no pending or threatened litigation affecting Seller's Project except as disclosed in Section 3 of this Agreement.

(e) To the best of Seller's knowledge, no portion of Seller's Project is in violation of any governmental law or regulation.

(f) All of Seller water permits are in good standing on the records of the State Engineer.

(g) No portion of Seller's Project is in violation of any environmental law and Seller has not received any notice of violation of any environmental law or regulation from any governmental or other agency with respect to Seller's Project.

(h) There are no leases covering any of Seller's Project.

(i) There are no outstanding or existing rights of first refusal with respect to Seller's Project.

(j) Seller has never filed for bankruptcy or other protection of debtors under state or federal law nor has a similar involuntary proceeding been filed or threatened against Seller.

7. Buyers' Representations and Warranties:

(a) That Baran is an Israeli company in good standing and that Galileo is an Illinois limited liability company in good standing. Buyers will timely qualify to do business in Nevada if required to do so by any of the acts required of Buyers under this Agreement.

(b) That the person(s) signing this Agreement on behalf of Buyers are authorized to sign and have the power and authority to bind the Buyers in accordance with the terms herein.

(c) That Buyers will timely support in writing Seller's application to the Nevada State Engineer to include the service territory of UIN (existing and as may be expanded to include the Cold Springs Planned Developments) in Seller's place of use of its Water Rights.

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8. Brokers:

Seller and Buyers' represent and warrant to the other that neither Seller, on its behalf, nor Buyers, on their behalf have engaged the services of a broker with respect to this Agreement between Seller and Buyers. Each party agrees to indemnify and hold harmless the other from, and against any and all claims, costs and damages which may result from a claim by a broker that such party engaged the services of such broker.

9. Infrastructure:

(a) As soon as practicable after close of escrow, Buyers or Buyers' assignee shall commence work necessary to put the water represented by the Lower Dry Valley and Bedell Flat water rights to beneficial use; including, but not limited to (i) completing (if necessary) items 3-8 on Exhibit C; (ii) constructing new wells in lower Dry Valley, and readying the existing well in Bedell Flat for production, (iii) constructing the pipeline, power line, pump station and other infrastructure necessary to transfer the water in Lower Dry Valley and Bedell Flat to the cold Springs area for beneficial use for municipal purposes.

(b) The Seller and Buyers agree, promptly after the Effective Date hereof to cooperatively work with Utilities Inc., the municipal water purveyor in Cold Springs area of Washoe County, to expand its service territory to include the Cold Springs Planned Developments under the provisions of NAC 703.175 and NAC 703.190 and Utilities Inc.'s Rule 9 and Rule 21, utilizing water from Seller's Project as the principal water source.

10. General Provisions:

(a) Completeness and Modification. This Agreement constitutes the entire agreement between the parties as to the transactions contemplated herein and supersedes all prior and contemporaneous discussions, understandings and agreements between the parties.

(b) Assignments. Buyers may not assign their rights hereunder without the prior written consent of Seller, which consent shall not unreasonably be withheld, delayed or conditioned; provided, however, that Buyers, without the consent of Seller, may assign, in whole or in part, their rights hereunder to any entity controlling, controlled by, or under common control with Buyers, or either of them.

(c) Survival. All of Seller's and Buyers' representations, warranties, covenants, agreements and indemnifications made in, or pursuant to, this Agreement shall survive close of escrow.

(d) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada. If the parties are unable to resolve amicably any dispute arising out of or in connection with this Agreement, they agree that such dispute shall be resolved in the Washoe County, Nevada District Court. Notwithstanding anything to the contrary in this Agreement, neither party shall be entitled to recover punitive or exemplary damages, however arising, whether in contract, in tort, or otherwise, under or with respect to any action taken in connection with this Agreement.

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(e) **Severability.** If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to other persons or circumstances, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(f) **Costs.** Regardless of whether the purchase of Seller's Project by Buyers shall close, each party shall be responsible for its own costs in connection with this Agreement and the transactions contemplated hereby, including, without limitation, fees of attorneys, engineers and accountants, except as otherwise expressly provided herein.

(g) **Notices.** Any notice expressly provided for or permitted under this Agreement shall be in writing, shall be given either manually or by mail, overnight delivery service, such as UPS, FedEx, or Purolator, and shall be deemed sufficiently given when received by the party to be notified at its address set forth below, or three (3) business days after being mailed by registered or certified mail, postage prepaid, return receipt requested, or one (1) business day after being sent by such overnight delivery service, addressed to such party at such address, whichever shall first occur. Any party and any representative designated below, by notice to the other party, may change its address for receiving such notices.

If to Buyers: Baran Global Engineering, Ltd., an Israeli company
5 Menachem Begin Blvd.
Beit-Dagon 50200
PO Box 700
Israel
Attention: Mr. Steven Senter, President

Galileo NV LLC, an Illinois limited liability company
790 Frontage Road
Northfield, IL 60093
Attention: Michael Monhait, President

If to Seller: Intermountain Water Supply, Ltd., a Nevada limited liability company
c/o Intermountain Pipeline, Ltd., a Nevada limited liability company
625 Onyo Way
Spark, NV 89441
Attention: Robert W. Marshall, co-manager
Thomas W. Marshall, co-manager

(h) **Incorporation by Reference.** All of the Exhibits attached or referred to herein are by this reference incorporated herein and made a part of this Agreement.

(i) **Interpretation.** The section and paragraph headings used herein are for reference and convenience only and shall not enter into the interpretation hereof. Wherever used herein, the singular number shall include the plural and vice versa, and the use of any gender shall include all other genders, all as the context may require.

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(j) Business Days. If any action is required under the provisions of this Agreement to occur by a date that is a Saturday, Sunday or legal holiday, such date shall be extended to the first day thereafter that is not a Saturday, Sunday or legal holiday.

(k) Waiver. No waiver or purported waiver by Buyers or Seller of any contingency contained herein shall be valid against Buyers or Seller unless it is in writing and signed by Buyers or Seller as the case may be.

(l) Construction. The parties acknowledge that they and their counsel have reviewed this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

(m) Time of the Essence. The parties hereby agree that time is of the essence with respect to performance of each of the parties' obligations under this Agreement.

(n) Exclusivity of Option. Seller hereby agrees that the Option granted hereby shall be exclusive and agrees that, from and after the date of this Option and for so long thereafter as the Option is in force and effect, or until closing occurs, whichever occurs later, Seller shall not offer any portion of Seller's Project for sale to, accept any offer to purchase any portion of Seller's Project from, nor enter into any contract to sell any portion of Seller's Project with, nor enter into any lease, rental, or occupancy agreement affecting any portion of Seller's Project with, nor enter into any agreement permitting any tenant to occupy any portion of Seller's Project with, any person other than the Buyers hereunder without in each instance first obtaining the prior written consent of the Buyers.

(o) Amendments. The terms of this Agreement may be waived, modified and amended only by and instrument in writing duly executed by Seller and Buyers.

(p) Counterparts. This Agreement may be executed in any number of counterparts and it shall be sufficient that the signature of each party appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement. A facsimile signature to this Agreement or any amendment hereto shall be sufficient to prove the execution hereby by any person.

(q) Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act except those of the waiving party, which shall be extended by a period of time equal to the period of the delay.

(r) Purchase of Marshall Ranch. Purchase of the Seller's Project is not contingent on purchase of the Marshall Ranch.

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IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

SELLER

INTERMOUNTAIN WATER SUPPLY, LTD., a Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada limited liability company, Manager

By: Robert W. Marshall
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

BUYERS:

BARAN GLOBAL ENGINEERING, LTD., an Israeli company

By: _____
Steven Senter, President

GALILEO NV LLC, an Illinois limited liability company

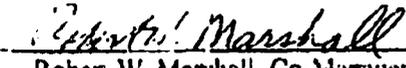
By: M. Monhait
Michael Monhait, President

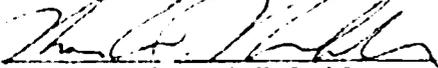
IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

SELLER

INTERMOUNTAIN WATER SUPPLY, LTD., a
Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada limited
liability company, Manager

By: 
Robert W. Marshall, Co-Manager

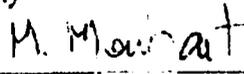
By: 
Thomas W. Marshall, Co-Manager

BUYERS:

BARAN GLOBAL ENGINEERING, LTD., an Israeli
company

By: _____
Steven Senter, President

GALILEO NV LLC, an Illinois limited liability
company

By: 
Michael Monhuit, President

WATER RIGHTS

**Intermountain Water Supply Project
Summary of Municipal Water Rights
And Filings for Use in Lemmon Valley**

Lower Dry Valley (underground) Takedown #1

Permit	74327	451 AFY
Permits	66400	
	73428	
	73429	
	73130	<u>1,549 AFY</u>
		2000 AFY
Application	66961 pending	
	79548 pending	

Bedell Flat (underground) Takedown #2

Permit	66873	315.5 AFY
Permit	73048	52.6 AFY
Application	73049 - pending	

Newcomb Lake (underground) Takedown #3

Permit	67037	200 AFY
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Upper Dry Valley Takedown #4

Permits	64977	
	64978	
	72700*	996 AFY

3564.1 AFY

*Place of use Upper Dry Valley and Warm Springs Valley, under this permit.

EASEMENTS AND RIGHTS-OF-WAY

1. BLM Right-of-Way grant dated February 22, 2007 covering pipeline and fiber optic telemetry from Lower Dry Valley wells and Bedell Flat well and booster station to Lemmon Valley (covering BLM ground).
2. BLM Right-of-Way Grant dated September 8, 2008 covering Nevada Energy power line from Red Rock area through Bedell Flat and to Lower Dry Valley wells sites.
3. Easement and Consent to use access road from Buckhorn Land & Livestock, LLC to Intermountain Water Supply, Co., dated September 22, 2006.
4. Grant of non-exclusive easement dated October 19, 2006 from Wilburn Ranches, Inc. to Intermountain Water Supply, Ltd.
5. Grant of Easement dated August 26, 2005 from Dean T. Glasser to Intermountain Water Supply, Ltd.
6. Memo dated June 12, 2003 from Karen Dennison of Hale, Lane law firm regarding right to install pipeline in Red Rock Estates, 100 foot right-of-way.

WATER FACILITIES, PERMIT AND MONITORING PLANS

Water Facilities:

Test well casings and test pumps (if any) at wells sites DV-1, DV-2, DV-3, DV-4 and DV-5 in lower Dry Valley; well casing at Bedell Flat well BF-1. The lower Dry Valley well sites are shown on the map attached hereto.

Permit:

Washoe County Special use Permit dated January 4, 2006, Case No. SW05-012.

Monitoring Plans:

Groundwater Monitoring Plans for Dry Valley and Bedell Flat dated August 12, 2005, prepared by Interflow Hydrology, Inc.

FIRST CENTENNIAL TITLE COMPANY OF NEVADA ("Escrow Agent")

SALE ESCROW INSTRUCTIONS

TO:

First Centennial Title Company of Nevada
1450 Ridgeview Drive, Ste. 100
Reno, NV 89519
(775) 689-8510

ESCROW NO: _____
DATE: _____, 2016
Commercial

Buyer will Deposit; on exercise of option ("Down Payment")	\$	1,000,000.00*
First Note Payment (6 months after exercise of option) – no interest	\$	3,000,000.00
Final Note Payment (9 months after exercise of option) – no interest	\$	4,000,000.00
TOTAL CONSIDERATION	\$	8,000,000.00
*less option payment of \$ _____ previously paid.	\$	

This Transaction involves the transfer of Water Rights described in Exhibit "A" attached to the Option and Water Rights Purchase Agreement together with related easements, right-of-way grants and certain personal property.

On or before Buyer deposits the Down Payment into escrow, Seller shall deposit with you the following documents attached to these Sale Escrow Instructions, fully signed, except as indicated:

- (a) Water Rights Grant Bargain and Sale Deed to water rights Permits Nos. 66873, 73048, 74327, 66400, 73428, 73429, 73430, 64977, 64978, 67037, and 72700.
- (b) Water Rights Quitclaim deed to water rights Application Nos. 73049, 66961 and 79548.
- (c) Assignment of BLM Right-of-Way Grants Nos. NVN-083040 and N-76897.
- (d) Assignment of Easements recorded as Document Nos. 3441299 (Buckhorn), 3455541 (Wilburn Ranches) and 3268158, (Glasser) Official Records of Washoe County, Nevada.
- (e) Bill of Sale covering certain "Water Facilities."
- (f) Assignment of Permit and Monitoring Plans.
- (g) Consent to Sale signed by all Members of Seller.
- (h) Non-interest bearing Promissory Note in the principal amount of \$7,000,000.00 in the form attached hereto. (To be signed by Buyers)

EXHIBIT B
B-1

(i) Deed of Trust and Security Agreement securing the Promissory Note in the form attached hereto. (To be signed by Buyers).

(j) UCC-1 form of financing statement.

(k) One fully signed copy of the Option and Water Rights Purchase Agreement between Buyers and Seller, dated _____, 2015, furnished for your information.

Buyers shall deposit with you the following funds and documents and do the following on exercise of option:

(a) The sum of \$1,000,000.00 as and for the Down Payment on the Water Rights and related property, (less the option payment previously paid).

(b) Buyer's share of costs and fees to be paid through escrow.

(c) Buyers shall sign the Promissory Note and Deed of Trust.

Upon receipt of the above described documents and funds, Escrow Agent shall proceed, as soon as reasonably possible but no later than ten (10) days after receipt of the Down Payment, to (a) disburse the Down Payment to Seller, less Sellers' share of costs paid through escrow, and (b) undertake the following:

1. Record the originals and deliver a fully conformed copy of each of the Water Rights Grant, Bargain and Sale Deed (document (a) and the Water Rights Quitclaim Deed (document (b)) to Buyers. Arrange for the originals, when recorded, to be sent to the Buyers.

2. Record the originals and deliver a fully conformed copy of the Assignment of Easements (document (d) and the Assignment of Right-of-Way Grants (document (c)) to Buyers. Arrange for the originals when recorded to be sent to Buyers.

3. Record the Deed of Trust (document (i) and deliver a fully conformed copy to Seller and arrange for the original, when recorded to be sent to the Seller.

4. Deliver the fully executed original Bill of Sale to Buyers (document (e)).

5. Deliver the signed Promissory Note to Seller (document (h)).

6. Deliver the Assignment of Order and Monitoring Plans to Buyers (document (f)).

7. Deliver the Consent to Sale (document (g)) to Buyers.

8. File the UCC-1 form of Financing Statement with _____ and deliver a copy to Seller (document (j)).

Costs and fees are to be paid by Buyers and Seller as follows:

(a) Escrow fees and costs shall be divided equally between Buyer and Seller.

- (b) Transfer taxes shall be divided equally between Buyer and Seller.
- (c) Buyers shall pay recording fees of the deeds and assignments.
- (d) Seller shall pay recording fees for the Deed of Trust.

Sellers shall pay the two Promissory Note payments into a collection escrow to be established by Escrow Agent. The fees for such escrow shall be split 50% Seller and 50% Buyers. Buyers and Seller agree to execute usual escrow instructions.

All parties herein hold First Centennial Title Company, and its Agents, harmless of any and all responsibility in connection with the existence of and transfer of said water rights and related property. First Centennial Title Company makes no representations as to the existence of or transferability of any water rights and related property. Buyers have satisfied themselves, outside the scope of this escrow, as to the amount of acre feet, the ownership of and the transferability of said water rights.

There are no assessments to be prorated through this escrow.

These escrow instructions are being executed for the purpose of enabling Escrow Holder to complete this transaction, but unless specifically stated herein, are in no way intended to modify, amend, supersede, or in any way change any agreements, verbal or otherwise, between the parties. First Centennial Title Co. is not to be concerned with any agreements or any matter contained therein and is responsible only for such matters as are specifically set out in these instructions.

General Provisions:

Should any controversy arise between the parties hereto with respect to the subject matter of this escrow, its terms, or conditions, you shall not be required to take any action, but may withhold all monies, securities, documents or other things deposited until controversy shall be determined by agreement or appropriate legal proceedings, and in such event you shall not be liable for interest or damage.

It is understood that the fee agreed upon for your services is for your ordinary services only. In the event that you render any service not provided for herein, or if there is any modification hereof, or should any controversy or litigation arise to which you are made a party, or intervene in, you shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses which you may incur in connection therewith. You shall have the right to retain all monies and documents held by you until such compensation, costs and expenses shall be paid, the undersigned hereby jointly and severally promising to pay such sums on demand. In the event this escrow is not completed for any reason, you are authorized to deduct and pay your fee plus any costs incurred, from any funds on deposit.

The names and addresses of the Buyers and Seller are as follows:

Seller:

Intermountain Water Supply, Ltd., a Nevada limited liability company
c/o Intermountain Pipeline, Ltd., a Nevada limited liability company, Manager

625 Onyo Way
Spark, NV 89441
Attention: Robert W. Marshall, co-manager
Thomas W. Marshall, co-manager

Buyers:

Baran Global Engineering, Ltd., an Israeli company
5 Menachem Begin Blvd.
Beit Dagon 50200
PO Box 700
Israel
Attention: Mr. Steven Senter, President

Galileo NV LLC, an Illinois limited liability company
790 Frontage Road
Northfield, IL 60093
Attention: Michael Monheit, President

SELLER

INTERMOUNTAIN WATER SUPPLY, LTD., a
Nevada limited liability company
By: Intermountain Pipeline Ltd., a Nevada limited
liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

BUYERS:

BARAN GLOBAL ENGINEERING, LTD., an Israeli
company

By: _____
Steven Senter, President

GALILEO NV LLC, an Illinois limited liability
company

By: _____
Michael Monhait, President

The above escrow is hereby accepted:

FIRST CENTENNIAL TITLE COMPANY OF NEVADA

By: _____

Its: _____

APN#: N/A Water Rights

Recording Requested by:
When Recorded Mail to:
Michael Monhait, President
Galileo NV, LLC
790 Frontage Road
Northfield, IL 60093

Mail Tax Statements to:

N/A – Water Wrights

Pursuant to NRS 239B.030, the undersigned hereby affirms that this document does not contain the Personal Information, as defined by NRS 603A.040, of any person.

WATER RIGHTS
GRANT, BARGAIN, AND SALE DEED

This GRANT, BARGAIN, AND SALE DEED, is executed this ____ day of _____, 20__, by Intermountain Water Supply Ltd., a Nevada limited liability company (Grantor) to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company (Grantees).

For the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants, bargains, sells, and conveys to Grantees and to their successors and assigns forever, all those certain water rights situated in Washoe County, Nevada and more particularly described on Exhibit A attached hereto and incorporated herein.

TOGETHER WITH, all and singular, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any reversions, remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, the said water rights; unto the said Grantees, and their successors and assigns forever.

CONTINUED ON NEXT PAGE.

EXHIBIT B(a)

1

Grantor has executed this Grant, Bargain, and Sale Deed as of the date hereof.

GRANTOR:

INTERMOUNTAIN WATER SUPPLY, LTD., a Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada liability company, Manager

By: _____
Robert W. Marshall, Co- Manager

By: _____
Thomas W. Marshall, Co-Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Robert W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Thomas W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

WATER RIGHTS

(Groundwater, Municipal, Place of Use, Lemmon Valley Area)

<u>Location</u>	<u>Permits</u>	<u>Amount</u>
Bedell Flat	66873, 73048	368.1 AFA
Lower Dry Valley	74327, 66400, 73428, 73429, 73430	2,000 AFA
Upper Dry Valley	64977, 64978, 72700*	996 AFA
Newcomb Lake	67037	<u>200 AFA</u>
	TOTAL	3,564.1 AFA

*Place of use under this permit, Upper Dry Valley
and Warm Springs Valley

APN#: N/A - Water Rights

Recording Requested by:
When Recorded Mail to:
Michael Monhait, President
Galileo NV, LLC
790 Frontage Road
Northfield, IL 60093

Mail Tax Statement to:
N/A - water rights

Affirmation Statement:

Pursuant to NRS 239B.030, the undersigned hereby affirms that this document does not contain the Personal Information, as defined by NRS 603A.040, of any person.

WATER RIGHTS QUITCLAIM DEED

This WATER RIGHTS QUITCLAIM DEED, is executed this _____ day of _____, 20___, by Intermountain Water Supply, Ltd., a Nevada limited liability company (Grantor), to Baran Global Engineer Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company (Grantees).

For \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims to Grantees and to their successors and assigns forever, all of Grantor's right, title, and interest in and to water rights Application Numbers 66961, 79548 and 73049 filed with the Nevada State Engineer.

TOGETHER WITH, all and singular, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any reversions, remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, the said Applications unto said Grantees and their successors, and assigns forever.

CONTINUED ON NEXT PAGE

EXHIBIT B(b)

Grantor has executed this Water Rights Quitclaim Deed to be effective as of the date hereof.

GRANTOR:

**INTERMOUNTAIN WATER SUPPLY, LTD.,
a Nevada limited liability company**

By: Intermountain Pipeline Ltd., a Nevada limited liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Robert W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Thomas W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

ASSIGNMENT OF RIGHT-OF-WAY GRANTS

Intermountain Water Supply, Ltd., a Nevada limited liability company (“Assignor”) for a valuable consideration, the receipt of which is acknowledged, hereby assigns all of its right, title and interest in and to the following described Right-of-Way Grants located in Washoe County, Nevada to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company (“Assignees”), their successors and assigns.

The Right-of-Way Grants assigned herein were granted by the United States Department of the Interior, Bureau of Land Management (“BLM”) and are described as follows:

(a) BLM Right-of-Way Grant dated September 8, 2008, issued to Intermountain Water Supply, Ltd. by the United States Department of the Interior, Bureau of Land Management, bearing Serial Number NVN 083040.

(b) BLM Right-of-Way Grant dated February 22, 2007 issued to Intermountain Water Supply, Ltd. by United States Department of the Interior, Bureau of Land Management, bearing Serial Number N-76897.

TO HAVE AND TO HOLD said Right-of-Way Grants in accordance with their terms, forever.

This Assignment is dated and shall be effective as of the ____ day of _____, 20__.

The Right-of-Way Grants are assigned without recourse or warranty of any kind except for applicable warranties contained in the Option and Water Rights Purchase Agreement between Assignor and Assignee dated _____, 20__.

EXHIBIT B(c)

INTERMOUNTAIN WATER SUPPLY, LTD.,
A Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada limited
liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Robert W. Marshall as
Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Thomas W. Marshall as
Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

ASSIGNMENT OF EASEMENTS

Intermountain Water Supply, Ltd. a Nevada limited liability company (“Assignor”) for a valuable consideration, the receipt of which is acknowledged, hereby assigns, all of its right, title and interest in and to the following described easements located in Washoe County Nevada to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, a Illinois limited liability company (“Assignees”) their successor and assigns.

The easements assigned herein are described as follows:

(a) Easement and Consent to Use Access Road, dated Sept. 22, 2006 between Buckhorn Land and Livestock, LLC, a Nevada limited liability company and Intermountain Water Supply, Ltd., a Nevada limited liability company recorded on September 22, 2006, as Document #3441299, Official Records of Washoe County, Nevada.

(b) Grant of Non-Exclusive Easement dated October 19, 2006 between Wilburn Ranches, Inc., (“Grantor”) and Intermountain Water Supply, Ltd., a Nevada limited liability company (“Grantee”), recorded on October 26, 2006, as Document #3455541, Official Records of Washoe County, Nevada.

(c) Grant of Easements dated August 26, 2005 between Dean T. Glasser (“Grantor”) and Intermountain Water Supply, Ltd., a Nevada limited liability company, recorded on August 26, 2005, as Document #3268158, Official Records of Washoe County, Nevada.

TO HAVE AND TO HOLD said easements in accordance with their terms, forever.

This Assignment is dated and shall be effective as of the _____ day of _____, 20__.

EXHIBIT B(d)

1

The easements are assigned without recourse or warranty of any kind except for applicable warranties contained in the Option and Water Rights Purchase Agreement between Assignor and Assignees dated _____, 20__.

INTERMOUNTAIN WATER SUPPLY, LTD.,
A Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada limited liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Robert W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__, by Thomas W. Marshall as Co-Manager of Intermountain Pipeline Ltd.

Notary Public
Appt#: _____
Appointment expires: _____

**BILL OF SALE
OF
WATER FACILITIES**

This is to acknowledge that Intermountain Water Supply, Ltd., a Nevada limited liability company, 625 Onyo Way Sparks, NV 89441 ("Seller") has this day sold to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company, ("Buyers"), for a good and valuable consideration, the receipt of which is hereby acknowledged, the following personal property: Test well casings and test pumps, if any, at well sites DV-1, DV-2, DV-3, DV-4 and DV-5 in Lower Dry Valley shown on the map attached hereto and well casing in Bedell Flat at Well BF-1, all in Washoe County, Nevada.

The personal property is sold as is, without warranty, except for applicable warranties contained in the Option and Water Rights Purchase Agreement between Seller and Buyers.

DATED this ____ day of _____, 20__.

INTERMOUNTAIN WATER SUPPLY, LTD., a
Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada
limited liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

EXHIBIT B(e)

1

**ASSIGNMENT
OF
PERMIT AND MONITORING PLANS**

Intermountain Water Supply, Ltd., a Nevada limited liability company ("Assignor"), for a valuable consideration, the receipt of which is hereby acknowledged, hereby assigns all of its right, title and interest in and to (a) Washoe County Special Use Permit dated January 4, 2006, Case No. SW05-012 and (b) Groundwater Monitoring Plans for Dry Valley and Bedell Flat dated August 12, 2005, prepared by Interflow Hydrology, Inc., to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company ("Assignees").

To have and to hold said permit and plans, in accordance with their terms, forever.

This assignment is without recourse or warranty of any kind except for applicable warranties contained in the Option and Water Rights Purchase Agreement between Assignor and Assignees dated the ___ day of _____, 20__.

Dated this ___ day of _____, 20__.

INTERMOUNTAIN WATER SUPPLY, LTD., a
Nevada limited liability company

By: Intermountain Pipeline Ltd., a Nevada
limited liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

EXHIBIT B(f)

1

CONSENT TO SALE

The undersigned, constituting all of the Members of Intermountain Water Supply, Ltd., a Nevada limited liability company ("SupplyCo"), hereby consent to the sale of substantially all of the assets of SupplyCo to Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company pursuant to the terms of the Option and Water Rights Purchase Agreement dated the ___ day of _____, 20__.

Dated this ___ day of _____, 20__.

INTERMOUNTAIN PIPELINE LTD., a Nevada limited liability company, Manager

By: _____
Robert W. Marshall, Co-Manager

By: _____
Thomas W. Marshall, Co-Manager

Thomas W. Marshall, individually

LIFESTYLE HOMES, INC.

By: _____
Peter S. Lissner, President

EXHIBIT B(g)

1

PROMISSORY NOTE

Reno, Nevada

_____, 20__

For value received, Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company, jointly and severally, promise to pay to Intermountain Water Supply, Ltd., a Nevada limited liability company, or order, at Reno, Nevada, the sum of \$7,000,000.00, without interest payable only in lawful money of the United States of America, as hereinafter set forth.

The makers hereof promise to pay to the holder or holders of this note the following principal payments on or before the following dates:

The sum of \$3,000,000.00 on or before _____, 20__.

The sum of \$4,000,000.00 on or before _____, 20__.

The makers hereof waive presentment and notice of dishonor, and agree to pay costs and a reasonable attorney fee in any action brought to enforce the terms of this note.

All payments shall be made to the payee c/o First Centennial Title Company, 1450 Ridgeview Drive, #100, Reno, Nevada 89519 or at such other address as may be designated in writing by the holder or holders of this note from time to time.

**BARAN GLOBAL ENGINEERING LTD.,
an Israeli company**

By: _____
Steven Senter, President

**GALILEO NV, LLC,
an Illinois limited liability company**

By: _____
Michael Monhait, authorized representative

EXHIBIT B(h)

APN: N/A – Water Rights

Recording Requested By:
When Recorded Mail To:
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441

Pursuant to NRS 239B.030, the undersigned hereby affirms that this document does not contain the Personal Information, as defined by NRS 603A.040, of any person.

**DEED OF TRUST AND SECURITY AGREEMENT
COVERING WATER RIGHTS, EASEMENTS AND RIGHTS-OF-WAY AND
WATER FACILITIES, A PERMIT AND MONITORING PLAN**

THIS DEED OF TRUST is made this ____ day of _____, 20__, by and between Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company (“Trustors”); First Centennial Title Insurance Company whose address is: 3700 Lakeside Drive, Reno, NV 89509 (“Trustee”); and Intermountain Water Supply Ltd., a Nevada limited liability company (“Beneficiary”);

WITNESSETH:

That Trustors do hereby grant, bargain, sell, convey and confirm unto Trustee, in trust with the power of sale, all those certain water rights, easements and rights-of-way; Water Facilities, a Permit and Monitoring Plans (“Property”) more particularly described on Exhibit A-1, A-2 and A-3 attached hereto and made a part hereof.

Together with all the estate, interest, or other claim, in law as well as in equity, which said Trustors now have or may hereafter acquire in and to the said Property, together with all and singular, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD the same unto the said Trustee and its successors, for the purpose of securing payments of a principal indebtedness in the sum of Seven Million Dollars (\$7,000,000.00) evidenced by a promissory note dated the ____ day of _____, 20__ according to the terms of said note, which note by reference is hereby made a part hereof, executed by Baran Global Engineering Ltd., an Israeli company and Galileo NV, LLC, an Illinois limited liability company and delivered to Beneficiary, and any and all extensions or renewals thereof, and payment of such additional principal sums with interest thereon as may hereafter be loaned by

EXHIBIT B(i)

1

Beneficiary to the maker of said note, or to Trustors, payment of all other sums becoming due and payable under the provisions of said note or under the provisions hereof with interest thereon to either Trustee or Beneficiary, and the performance and discharge of each and every obligation, covenant and agreement of the makers of said note or the Trustors herein to Beneficiary, herein contained or contained in said note.

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustors promise and agree to pay when due all claims for labor and materials furnished for any construction, alteration or repair upon the Property, to comply with all laws affecting said Property or relating to any alterations or improvements that may be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any acts upon said Property in violation of any law, covenant, condition or restriction affecting said Property, and to permit Beneficiary to enter at all reasonable times for the purpose of inspection.

2. The following covenants, Nos. 1, 3, 4 (interest 15%), 5, 6, 7 (reasonable), 8 and 9 of Nevada Revised Statutes 107.030 and all the provisions of Nevada Revised Statutes 107.080, including the right to accelerate the sums due hereunder upon a breach of the note payment terms, or the terms of this Deed of Trust are hereby adopted and made a part of this deed of trust.

3. Trustors agrees to pay any deficiency arising from any cause after application of the proceeds of any sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

4. The rights and remedies hereby granted shall not exclude any other rights and remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.

5. All the provisions, benefits and obligations of this instrument shall apply to, inure to and bind the heirs, representatives, executors, successors and assigns of the parties hereto and the holder hereof. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include the other genders.

6. Trustors assign hereby to Trustee any and all rents of the above-described Property accruing after default, and hereby authorizes Trustee, or a receiver to be appointed on application of Trustee, or Beneficiary, without waiving or affecting the right of foreclosure or any other right hereunder, to take possession of the Property at any time after there is a default in the payment of said debt or in the performance of any of the obligations herein contained, and to rent the premises for the account of Trustors. At any trustee's sale hereunder held, the Trustee shall sell the Properties herein described together with the personal property covered by form UCC-1 as additional security for the payment of the indebtedness secured hereby as a single unit unless otherwise specifically directed by Beneficiary, and at such sale the Trustee is hereby authorized to bid for Beneficiary or its successors or the successor of any of them, if absent.

7. It is hereby agreed that the trust created hereby is irrevocable by Trustors.

EXHIBIT B(i)

2

8. This deed of trust is executed by Trustors and accepted by Beneficiary with the express understanding that the relationship of landlord and tenant shall exist as between the purchaser of the Property covered hereby upon foreclosure proceedings and Beneficiary and its successors in interest, and Trustors may be removed therefrom by any proceeding authorized by law, including an unlawful detainer action or summary eviction action in the event the possession of the Property should not voluntarily be surrendered to such purchaser.

9. Should Trustors, without the consent in writing of Beneficiary, voluntarily sell, transfer, or convey their interest in the Property or any of the personal property covered by Form UCC-1, or any part thereof, or if by operation of law, it be sold, transferred, or conveyed, then Beneficiary may, at its option, declare all sums secured hereby immediately due and payable. Consent to one such transaction shall not be deemed to be a waiver of the right to require such consent to future or successive transactions.

10. Additional duties of Trustors. Trustors are hereby obligated to undertake the following additional duties hereunder; failure to perform any of such duties in a timely manner shall constitute a default of this Deed of Trust and a default under the terms of the note secured hereby:

(a) With respect to all of the Water Right permits covered by this Deed of Trust, Trustors shall do all things necessary to maintain said permits and certificates in good standing on the records of the Nevada State Engineer during the term of this Deed of Trust.

(b) Trustors shall contemporaneously furnish Beneficiary with copies of all documents filed by Trustor with the Nevada State Engineer with respect to the Water Right permits or any of them.

(c) During the continuance of this deed of Trust, Trustors shall maintain the Right-of-Way grants and easements in good standing and shall comply with all of the terms thereof.

(d) During the continuance of this Deed of Trust, Trustors shall comply with all provisions of the Special use Permit and the Bedell Flat and Dry Valley Monitoring Plans.

11. Security Agreement/Financing Statements: The personal property used in connection with the Property is the subject of a Security Agreement and a Financing Statement filed as required by law. A breach of the Security Agreement by Trustor shall constitute a default under the note secured by this Deed of Trust and a default under this Deed of Trust.

12. Request for Correspondence: On recordation of this Deed of Trust, Beneficiary may file with the Nevada State Engineer a "Request for Correspondence."

IN WITNESS WHEREOF, the Trustors have hereunto executed these presents the day and year first above written.

CONTINUED ON NEXT PAGE

EXHIBIT B(i)

3

DISCLOSURES

1. There is pending in the Second Judicial District Court of Nevada, a Petition for Judicial Review by Sierra Pacific Industries, a California corporation, Case No. CV 15-01257) of the decision of the State Engineer granting Seller an extension of time to complete the work of improvement and/or apply water to beneficial use under Permits 74327, 66400, 73428, 73429, 73430, 64977, 64978, 72700. The case is being defended by the Nevada Attorney General and by Seller.

If the Petition for Judicial Review has not been finally terminated by the end of the Option Period, the Option Period shall be extended until the matter is resolved, but not beyond _____. Settlement shall take place within 30 days of final termination of the Petition for Judicial Review, if such date is after the Option Period. In the event of an unfavorable final decision, or no final decision, by _____, any Option Fees previously delivered to Seller shall be returned to Buyers, without interest, and this Option shall end without any further obligations of Seller or Buyers to the other hereunder. The parties may modify the above date(s) and provisions by mutual agreement in writing.

2. The archeological work by ASM is not finished. The final report needs to be completed and the State BLM office must approve it. All field work is done. By contract, \$16,000.00 must be paid to ASM when the report is finished and another \$16,000.00 must be paid on acceptance of the report. According to ASM, the report will be finished in 2015. Payment of these sums shall be the responsibility of Seller.

3. Engineering on the pipeline, pump station and wells in Lower Dry Valley and Bedell Flat is completed to about 30-35%. Mike Bidart, P.E., was the engineer in charge.

4. The UEPA application needs to be re-filed with the PUCN. Environscientists prepared the initial filing.

5. The place of use of the water rights is Lemon Valley. An expansion of the place of use to include the Cold Springs area will have to be filed with the State Engineer.

6. A 404 Permit will need to be secured from the Army Corp. of Engineers.

7. Encroachment permits will be obtained from Washoe County to place the pipeline within existing county road rights' of way.

8. An easement from Red Rock Road to the Cold Springs area over private land will need to be secured.

9. Review the covenant with Red Rock H.O. Assn. for pipeline construction through Antelope Valley.

10. Review the construction requirements of the Buckhorn lease.

EXHIBIT C