

STATE OF OREGON
COUNTY OF LAKE
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

WAVECREST RESOURCES, INC.
5450 RIGGINS CT. #3
RENO, NEVADA 89502-6035

confirms the right to use the waters of A WELL in the GOOSE LAKE BASIN for INDUSTRIAL USE TO PROVIDE WATER FOR CORE AND REVERSE CIRCULATION DRILLING ON A MINERAL EXPLORATION PROSPECT.

This right was perfected under Permit G-10657. The date of priority is JULY 17, 1986. This right is limited to 100 GALLONS PER MINUTE, NOT TO EXCEED 1,000 GALLONS PER DAY or its equivalent in case of rotation, measured at the well. THE USE OF WATER IS ALLOWED BETWEEN JUNE 1 AND SEPTEMBER 30 OF EACH YEAR.

The well is located as follows:

NW 1/4 NW 1/4, SECTION 35, T 37 S, R 16 E, W.M.; 1240 FEET SOUTH AND 540 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 35.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

S 1/2 SW 1/4
SECTION 26

SE 1/4 SW 1/4
S 1/2 SE 1/4
SECTION 27

NE 1/4
E 1/2 NW 1/4
N 1/2 SE 1/4
SE 1/4 SE 1/4
SECTION 34

NW 1/4
W 1/2 SW 1/4
SECTION 35

TOWNSHIP 37 SOUTH, RANGE 16 EAST, W.M.

The right to use water for the above purpose is restricted to beneficial use on the lands or place of use described.

WITNESS the signature of the Water Resources Director, affixed JANUARY 24, 1992.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 67064.

G-11559.BB