



BLACK HILLS BENTONITE, LLC

A Limited Liability Company

Manufacturers of High Grade Wyoming Bentonite

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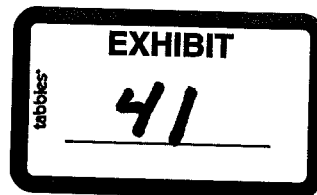


THOMAS A. THORSON
PRESIDENT & GEN. MANAGER

LARRY MADSEN, C.P.A.
VICE PRES. & CHIEF FINANCIAL OFFICER

July 14, 2016

Jim Crossingham
TTT Ranch Company
P O Box 988
Mount Airy NC, 27030



Dear Jim

I enjoyed our visit on Saturday and look forward to finding a way to complete our mining in the Snyder Ranch area per your request. I know you are concerned about future traffic in that area. I can assure you that when we complete the mining that was illustrated by the "Dots" that we will be finished in the Snyder ranch area. With that being said we could release these two patented mining claims to you with the provision that a road be permitted in the event we need that route to access our patented reserves about three miles further south.

It is important to note that we have additional claims north of the Snyder Ranch that we will be accessing in the future. In addition, we have large reserves on the west side of Powder River that will soon become more active. It is true that we will be out of the Snyder Ranch area by April 30, 2020 as you have requested on our TTT lease but we will retain other parts of Tisdale Mountain for the foreseeable future.

I have offered to pay surface damages on the Bobcat claim and the Herco minerals where you own the respective surface. You suggested \$500 per acre per year which is much higher than we have paid in the past, and higher than any other surface damage payments that we are aware of. In order to do this we have to complete our permit application including these properties otherwise we will have to come back at a later date to finish the mining on the Bobcat and Herco properties. If we agree to surface damages we will also agree to have the area reclaimed and seeded in three years. I expect excellent results in this area compared to the barren areas that were mined further north.

It is very important that we proceed with completing our mining permit. The three year time period is tight so we need to get started mining as soon as possible, but no later than January 1, 2017. We don't know how long it will take to clear the Department of Environmental Quality but we would appreciate very much receiving your acceptance of the surface damage offer by August 1 or we may not be able to meet the three year completion of mining which you requested.

We would hope you could give this matter prompt attention, which is the best way for us to get out of the Snyder Ranch area.

Let me know if you would want to meet again.

Very Truly Yours

A handwritten signature in cursive script, appearing to read "Tom Thorson". The signature is fluid and extends across the width of the text area below it.

Tom Thorson
President