

PROOF OF PUBLICATION

SEP 2 1983

County of Shoshone,)
STATE OF IDAHO)

Department of Water Resources
Northern District Office

NOTICE OF CLAIMS TO WATER RIGHTS

The following claim(s) have been
filed on water right(s) created by
diversion and beneficial use:

91-4133

Name: OLIVER, JIM
Address: P.O. BOX 487, CALDER,
ID 83808

Source: BIG CREEK trib. to SAINT
JOE RIVER

Priority Date: Jan. 1, 1913

Diversion Point: NESW Sec. 05 T
45N R 03E

Use: IRRIGATION (0.22 CFS);
STOCKWATER (0.04 CFS); COM-
MERCIAL (0.04 CFS).

In: NESW Sec. 05 T 45N R 03E FOR 2
ACRES.

91-4135

Name: GREEN, DONALD C.
Address: P.O. BOX 524, CALDER,
ID 83808

Source: SPRING trib. to SAINT
JOE RIVER.

Priority Date: June 1, 1940

Diversion Point: SWSW Sec. 05 T
45N R 03E

Use: STOCKWATER (0.02 CFS)

In: SWSW Sec. 05 T 45N R 03E

94-4253

Name: BURLINGTON NOR-
THERN RAILROAD CO.

Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104

Source: SPRING trib. to PLACER
CREEK

Priority Date: Jan. 29, 1904

Diversion Point: SWSE Sec 27 T 48N
R 04E

Use: INDUSTRIAL (6.00 CFS);
MINING (6.00 CFS); DOMESTIC
(6.00 CFS).

In: SWSE Sec 27 T 48N R 04E

94-4259

Name: BURLINGTON NOR-
THERN RAILROAD CO.

Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104

Source: DEADMANS GULCH trib.

to COEUR D'ALENE RIVER, South
Fk.

Priority Date: Nov. 7, 1891

Diversion Point: NWSW Sec. 25 T
48N R 05E

Use: INDUSTRIAL (0.20 CFS);
MINING (0.20 CFS)

In: NWSW Sec. 25 T 48N R 05E

94-4260

Name: BURLINGTON NOR-
THERN RAILROAD CO.

Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104

Source: SPRING trib. to GROUSE
CREEK

Priority Date: May 3, 1898.

Diversion Point: NWNE Sec. 03 T
48N R 02E

Use: INDUSTRIAL (0.0950 CFS)

In: LOT 02 (NWNE) Sec. 03 T 48N R
02E

94-4261

Name: BURLINGTON NOR-
THERN RAILROAD CO.

Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104

Source: HARRIS GULCH trib. to
COEUR D'ALENE RIVER

Priority Date: April 16, 1896

Diversion Point: SWSW Sec 31 T 48N
R 06E

Use: INDUSTRIAL (1.80 CFS);
MINING (1.80 CFS)

In: SWSW Sec 31 T 48N R 06E

s/Gary A. Corbeill, being first duly sworn deposes and says:

THE KELLOGG EVENING NEWS, a daily newspaper of general
circulation in said county, published in the City of Kellogg, in the
County of Shoshone and the State of Idaho, and which has been
published continuously in said county for a period of 78 weeks
immediately prior to the publication of the notice hereinafter
described, and that the _____

WATER RIGHTS
STATE OF IDAHO

91-4133 to 94-4268

of which the annexed is a true copy, was published in each regular

weekly/daily issue of said newspaper, and not in a supplement

thereto, for a period of 2 consecutive weeks/days, the

first publication thereof being in its issue dated 7-11-83

and the last publication thereof being in the issue dated

8-24-83

Gary A. Corbeill

Subscribed and sworn to before me this 31st day of

August, 1983

Wendell R. Brainerd

Notary Public

94-4262

Name: CENTRAL SHOSHONE
COUNTY WATER DIST.

Address: 409 MAIN ST., KELLOGG,
ID 83837

Source: ELK CREEK, WEST FORK
trib. to ELK CREEK

Priority Date: Nov. 21, 1934

Diversion Point: SWSE SESE Sec 08
T 48N R 03E

Use: DOMESTIC (2.00 CFS).

In: NESE NWSE SWSE SESE Sec.
08 T 48N R 03E

94-4263

Name: CENTRAL SHOSHONE
COUNTY WATER DIST.

Address: 409 MAIN ST., KELLOGG,
ID 83837

Source: MILO CREEK trib. to
COEUR D'ALENE RIVER, SOUTH
FK.

Priority Date: May 5, 1885

Diversion Point: SWNE Sec. 13 T
48N R 02E

Use: DOMESTIC (3.00 CFS)

In: SENE NESE Sec. 12 T 48N R 02E

NENW NWNW SWNW SENW
NWSW Sec. 07 T 48N R 03E

94-4265

Name: GARCIA, WILLIAM LOUIS

Address: P.O. BOX 672, MULLAN,
ID 83846

Source: GROUNDWATER

Priority Date: June 1, 1952

Diversion Point: NENE Sec. 36 T
48N R 05E

Use: DOMESTIC (0.04 CFS).

In: NENE Sec 36 T 48N R 05E

94-4266

Name: SMITH, GEORGE L.

Address: GEM STAR RT.,
WALLACE ID 83873

Source: SPRING trib. to CANYON
CREEK

Priority Date: Jan. 1, 1900

Diversion Pt: SENW Sec. 18 T 48N R
05E

Use: IRRIGATION 0.20 CFS);
DOMESTIC (0.04 CFS)

In: SENW Sec 18 T 48 N R 05E FOR 1
ACRES

94-4267

Name: SUNSHINE MINING CO.

Address: P.O. BOX 1080,
KELLOGG, ID 83837

Source: BIG CREEK trib. to
COEUR D'ALENE RIVER, SOUTH
FK.

Priority Date: Jan. 1, 1969.

Diversion Pt: SWSW SESW Sec. 10 T
48N R 03E

Use: INDUSTRIAL (0.50 CFS);
MINING (0.50 CFS)

In: NESW NWSW SWSW SESW Sec.
10 T 48N R 03E

94-4268

Name: CANTAMESSA, JON F.
&/or IRIS M.

Address: NINE MILE RD.,
WALLACE, ID 83873

Source: SPRING trib. to
NINEMILE CREEK

Priority Date: July 1, 1930

Diversion Pt.: SWSE Sec 23 T 48N R
04E

Use: IRRIGATION (0.20 CFS);
STOCKWATER (0.02 CFS);
DOMESTIC (0.06 CFS)

In: SWSE SESW Sec. 23 T 48N R 04E
FOR 4 ACRES

Exceptions to a claim may be filed
with the Director: Dept. of Water
Resources, 4055 Gov't. Way, Coeur
d'Alene, Id. 83814.

KEN DUNN, Director

8/17/24/'83

YoldLg

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

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OCT - 8 2002

Department of Water Resources

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
 Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided, if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
<u>94-7290</u>	_____	___	_____	_____	___
<u>94-4267</u>	_____	___	_____	_____	___
_____	_____	___	_____	_____	___
_____	_____	___	_____	_____	___
_____	_____	___	_____	_____	___

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
 PLAT OF PROPERTY or SURVEY MAP clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) are for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the PLAT OF PROPERTY or SURVEY MAP.

3. Name and Address of Former Owner/Claimant(s) Sunshine Mining Company
P.O. Box 1080, Kellogg, Idaho 83847
4. New Owner/Claimant(s) Formation Chemicals, Inc., an Idaho corporation
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
c/o Formation Capital Corporation
 New Mailing Address Suite 720 - 789 West Pender Street
 City, State and ZIP Code Vancouver, B.C., Canada V6C 1H2
 New Telephone Number (604) 682-6229 (ext. 4)
5. Date you acquired the property 9/20/02

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6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT		
(If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT		
(If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s) _____
(include title if applicable)

Scott Bending, President

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by you or your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

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For Office Use Only

Received by db Date 10/2/02 Fee \$50.00 (150.00d)
 Receipted by db Date 10/2/02 Receipt No. N015308
 Processed by _____ AJ Date _____ WR _____ Date _____

EVANS, KEANE

A LIMITED LIABILITY PARTNERSHIP

ATTORNEYS AT LAW
111 MAIN STREET
P.O. BOX 650KELLOGG, IDAHO 83837-0650
(208) 784-1105
TELECOPY (208) 783-7601

KELLOGG OFFICE:

FRED M. GIBLER
CHARLES L.A. COX

BOISE OFFICE:

1101 W. RIVER STREET, SUITE 200
BOISE, IDAHO 83701-0959
(208) 384-1800
TELECOPY (208) 345-3514

July 13, 2001

Ms. K. L. "Tina" West
Benewah County Assessor
701 College Avenue
St. Maries, ID 83861

Dear Ms. West:

Re: Sunshine Precious Metals, Inc.

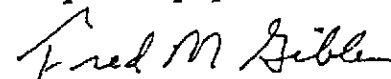
On June 26, 2001, you wrote me requesting confirmation that "Sunshine Precious Metals, Inc.," which executed a deed recorded as instrument number 223051 with the Benewah County recorder, is the same entity as the "Sunshine Mining Company" on instrument number 151008 and instrument number 151820.

Enclosed is a certificate from the Delaware Secretary of State dated August 8, 1988, attesting to the change of name from Sunshine Mining Company to Sunshine Precious Metals, Inc.

I have represented Sunshine Precious Metals, Inc. for a number of years before and after the change of name. I can also verify that "Sunshine Precious Metals, Inc." is the same corporation as the former "Sunshine Mining Company." The name was changed in 1988.

If you need anything further, let me know.

Very truly yours,


FRED M. GIBLER

FMG/lw

Enc.

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State of Delaware

PAGE 1



Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF
DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT
COPY OF THE CERTIFICATE OF AGREEMENT OF MERGER OF "SUNSHINE
MERGER COMPANY" MERGING WITH AND INTO "SUNSHINE MINING COMPANY"
UNDER THE NAME OF "SUNSHINE PRECIOUS METALS, INC." AS RECEIVED
AND FILED IN THIS OFFICE THE EIGHTH DAY OF AUGUST, A.D. 1983, AT
8:38 O'CLOCK A.M.

| | | | |



888221001

Michael Harkins, Secretary of State

AUTHENTICATION: 11016824

DATE: 88/88/1983

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AUG 27 2002

CONFIDENTIAL

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Formation Chemicals, Inc.
Attn: Mari-Ann Green
Suite 720 - 789 West Pender Street
Vancouver, B.C., Canada V6C 1H2

SPACE ABOVE THIS LINE FOR RECORDER'S USE

WARRANTY DEED

FOR VALUE RECEIVED, SUNSHINE PRECIOUS METALS, INC., a Delaware corporation, the Grantor, does hereby grant, bargain, sell and convey unto FORMATION CHEMICALS, INC., an Idaho corporation, the Grantee, whose address is 812 Shoup Street, Salmon, Idaho 83467, the following-described real property to wit:

The property described in Exhibit A attached hereto and by this reference incorporated herein as if set forth in full.

TO HAVE AND TO HOLD unto the Grantee and its successors and assigns forever, the said premises,

TOGETHER WITH all and singular tenements, hereditaments, appurtenances, including but not limited to water rights 94-4267 and 94-7290 and all other water rights appurtenant thereto; all of Grantor's rights, title and interest in minerals, oil and gas thereunder; all of Grantor's rights, title and interest in timber growing and to grow thereon; Grantor's rights and interests in and to Right of Way IDI-20982 and Right of Way IDI-14474 from the United States Department of Interior, Bureau of Land Management; and all improvements and fixtures thereon or thereunto belonging,

SUBJECT TO the property taxes, reservations, covenants, conditions, restrictions, rights of way, and easements of record as listed in Exhibit B hereto.

Grantor does hereby covenant to and with the Grantee that Grantor is the sole owner in fee simple of the above-described premises and that the above-described premises are free and clear from all encumbrances, except as set forth above, and that they will warrant and defend the same from all lawful claims whatsoever.

DATED to be effective as of the 20th day of September 2002.

SUNSHINE PRECIOUS METALS, INC.

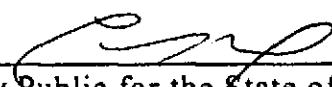
By 
Doug Burmeister, Vice President

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STATE OF IDAHO)
) ss.
County of Shoshone)

On this 6th day of September 2002, before me, Charles Cox
_____, a notary public in and for said State, personally appeared DOUG
BURMEISTER, known to me to be the Vice President of SUNSHINE PRECIOUS
METALS, INC., a Delaware corporation, the corporation that executed the instrument,
and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official
seal the day and year in this certificate first above written.



Notary Public for the State of Idaho
My Commission Expires 10/8/03

2970792_2.DOC

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EXHIBIT A

PARCEL 1:

A tract of land located in Southeast $\frac{1}{4}$ Southwest $\frac{1}{4}$ of Section 10, Township 48 North, Range 3 East, B.M., Shoshone County, State of Idaho more particularly described as follows:

Beginning at West $\frac{1}{16}$ South of Southeast $\frac{1}{4}$ Southwest $\frac{1}{4}$ of Section 10, Township 48 North, Range 3 East, B.M., being the true point of beginning; thence

North $00^{\circ}09'23''$ East along the north-south centerline of the Southwest $\frac{1}{4}$ of Section 10, a distance of 307.71 feet; thence

North $38^{\circ}49'47''$ East, a distance of 170.76 feet to a point; thence

North $21^{\circ}38'40''$ East, a distance of 62.65 feet to a point; thence

North $36^{\circ}18'00''$ East, a distance of 146.64 feet to a point; thence

North $50^{\circ}35'04''$ East, a distance of 270.37 feet to a point; thence

South $43^{\circ}08'55''$ East, a distance of 27.54 feet to a point; thence

North $60^{\circ}33'10''$ East, a distance of 462.48 feet to a point; thence

South $37^{\circ}48'54''$ East, a distance of 281.25 feet to a point on the Northerly right-of-way of Big Creek Road; thence along a curve to the left on said right-of-way with a radius of 2934.79 feet distance of 154.36 feet (with a long chord bearing of South $34^{\circ}10'13''$ West, a distance of 154.34 feet to a point; thence

South $32^{\circ}39'48''$ West (shown of record as South $32^{\circ}58'58''$ West) a distance of 420.19 feet; thence

North $56^{\circ}54'20''$ West, a distance of 308.80 feet to a point; thence

South $35^{\circ}45'37''$ West, a distance of 329.77 feet to a point; thence

South $56^{\circ}29'16''$ East, a distance of 103.18 feet to a point; thence

South $27^{\circ}38'23''$ West, a distance of 43.92 feet to a point; thence

South $44^{\circ}43'11''$ West, a distance of 137.55 feet to a point on the south line of said Section 10; thence

North $89^{\circ}58'08''$ West (shown of record as North $89^{\circ}55'00''$ West) along said South line, a distance of 224.69 feet to the true point of beginning.

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PARCEL 2:

A tract of land located in Section 10, Township 48 North, Range 3 East, B.M., Shoshone County, State of Idaho more particularly described as follows:

Beginning at a point from whence the South $\frac{1}{4}$ corner of Section 10, Township 48 North, Range 3 East, bears South $76^{\circ}56'30''$ East, a distance of 1365.09 feet; thence

North $00^{\circ}09'23''$ East along the north-south centerline of the Southwest $\frac{1}{4}$ of Section 10, a distance of 376.82 feet to a point; thence

North $56^{\circ}10'03''$ East, a distance of 915.50 feet to a point; thence

North $52^{\circ}02'22''$ East, a distance of 222.39 feet to a point; thence

North $35^{\circ}58'40''$ East, a distance of 553.76 feet to a point; thence

North $10^{\circ}29'08''$ East, a distance of 390.50 feet to a point; thence

North $00^{\circ}05'28''$ East, a distance of 502.18 feet to the center $\frac{1}{4}$ corner of said Section 10; thence

North $46^{\circ}45'41''$ East, a distance of 1158.30 feet to a point; thence

North $86^{\circ}59'56''$ East, a distance of 490.92 feet to a point; thence

South $54^{\circ}24'42''$ East, (shown of record as South $54^{\circ}20'00''$ E), a distance of 857.83 feet to a point on the northerly right-of-way of Big Creek Road; thence

South $27^{\circ}41'41''$ West (shown of record as South $28^{\circ}00'51''$ West) along said right-of-way, a distance of 335.97 feet to a point; thence along a curve to the right on said right-of-way with a radius of 542.96 feet, a distance of 243.76 feet (with a long chord bearing of South $40^{\circ}33'23''$ West, a distance of 241.72 feet) to a point; thence

South $53^{\circ}25'04''$ West (shown of record as South $53^{\circ}44'14''$ West) a distance of 957.59 feet to a point; thence along a curve to the right on said right-of-way with a radius of 4553.66 feet, a distance of 537.55 feet (with a long chord bearing of South $56^{\circ}47'59''$ West, a distance of 537.23 feet) to a point; thence

South $60^{\circ}10'53''$ West (shown of record as South $60^{\circ}30'03''$ West) along said right-of-way, a distance of 99.58 feet to a point; thence

South $77^{\circ}20'07''$ West along said right-of-way, a distance of 33.91 feet to a point; thence along a curve to the left on said right-of-way with a radius of 612.96 feet, a distance of 612.96 feet (with a long chord bearing of South $49^{\circ}21'44''$ West, a distance of 230.12 feet) to a point; thence

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South 38°32'35" West, shown of record as South 38°51'45" West, a distance of 692.32 feet to a point; thence along a curve to the left on said right-of-way with a radius of 2934.79 feet, a distance of 146.81 feet (with a long chord bearing of South 37°06'36" West, a distance of 146.79 feet) to a point; thence

North 37°48'54" West, a distance of 281.25 feet to a point; thence

South 60°33'10" West, a distance of 462.48 feet to a point; thence

North 43°08'55" West, a distance of 27.54 feet to a point; thence

South 50°35'04" West, a distance of 270.67 feet to a point; thence

South 36°18'00" West, a distance of 146.64 feet to a point; thence

South 21°38'40" West, a distance of 62.65 feet to a point; thence

South 38°49'47" West, a distance of 170.76 feet to the true point of beginning.

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EXHIBIT B

Taxes, including any assessments collected therewith, for the year 2002 which are not a lien not yet due and payable.

'Lien for any taxes deferred by virtue of the designation of the insured premises or any portion thereof as forest lands as provided in Section 63- 1701 et seq, Idaho Code.'
Affects Parcel 1

Liens, levies and assessments of the South Fork Coeur d'Alene River Sewer District.

Liens, levies and assessment of the Central Shoshone County Water District.

An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Granted to: Washington Water Power Company.

Purpose: pipeline easement.

Recorded: September 29, 1965.

Instrument/File No. 202981 of Official Records.

Affects Section 10, Township 48 North, Range 3 East, B.M.

An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Granted to: Norid LLC.

Purpose: utility easement.

Recorded: December 10, 2001.

Instrument/File No. 401369 of Official Records.

That certain "Grant of Easement, Modification of Easement and Grant of Access License" recorded on even date herewith in the real property records of Shoshone County, Idaho (granting an easement and right of access and modifying the utility easement recorded as Instrument/File No. 401369 of Official Records.

That certain "Easement and Access Agreement" recorded on even date herewith in the real property records of Shoshone County, Idaho.

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

JUL 7 1983

CLAIM TO A WATER RIGHT

Department of Water Resources
Northern District Office

Under the provisions of Section 42-243, Idaho Code, any person using or claiming rights to the public waters of Idaho established by diversion and application to a beneficial use must file a claim with the Department of Water Resources on or before June 30, 1983. Exempted from this filing are single family domestic uses as defined in Section 42-230(d), Idaho Code. Also exempted are rights represented by a permit, license, decree, adjudicated right, or a previously filed claim.

The filing of this claim does not confirm the water right claimed but failure to file may result in forfeiture of a water right.

Notice is hereby given that SUNSHINE MINING COMPANY

(Name of Claimant)

P.O. Box 1080, Kellogg, ID 83837

(Mailing Address)

Telephone No. (208) 783-1211

(Zip Code)

claims a right to the diversion and beneficial use of the surface or ground water. The extent and nature of said claim is as follows:

- (1) Date of priority: (When was the water first applied to a beneficial use)
- 1969

A claim is not acceptable on a ground water source with a priority later than March 25, 1963 or on a surface water source with a priority later than May 20, 1971. An exception is that a claim may be filed on single family domestic use from a ground water source.

- (2) Describe the source of water: (Name of stream, lake, spring, etc., or ground water)

Big Creek tributary to South Fork Coeur d'Alene River

- (3) Describe the purpose for which the water has been used and the time during the year when you have used the right claimed:

Quantity	(cfs, af)	Use	(Domestic, Irrigation, Stock, Etc.)	(Both dates inclusive)	
				(Mo., Day)	(Mo., Day)
<u>.5cfs</u>		<u>mining & milling</u>		Period of Use From <u>1/1</u>	To <u>12/31</u>
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To

- (4)
- .5 cfs
- TOTAL QUANTITY USED.

(cfs, af)

- (5) A) Point of diversion: (Location of point where water is diverted from its source)

SW ¼ SW ¼, Sec. 10 Twp. 48N Rge. 3E B.M., County of ShoshoneAdditional points of diversion: SESW, Sec. 10, T. 48N, R. 3E

B) Describe means of diversion of water: (Pump and pipeline, well, diversion dam, reservoir, length of ditch and field, etc.). Give sizes and capacities: be as specific as possible. Describe any changes in the system and give the date of the change. 3 ft. perforated culvert placed along Big Creek and 2-40 hp pumps

- (6) A) Describe location of use by listing number of irrigated acres within each 40-acre tract in appropriate box. If use is not for irrigation, place an "X" in appropriate box to show location.

T	R	SEC.	NE¼				NW¼				SW¼				SE¼				TOTAL
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
48N	3E	10									X	X	X	X					

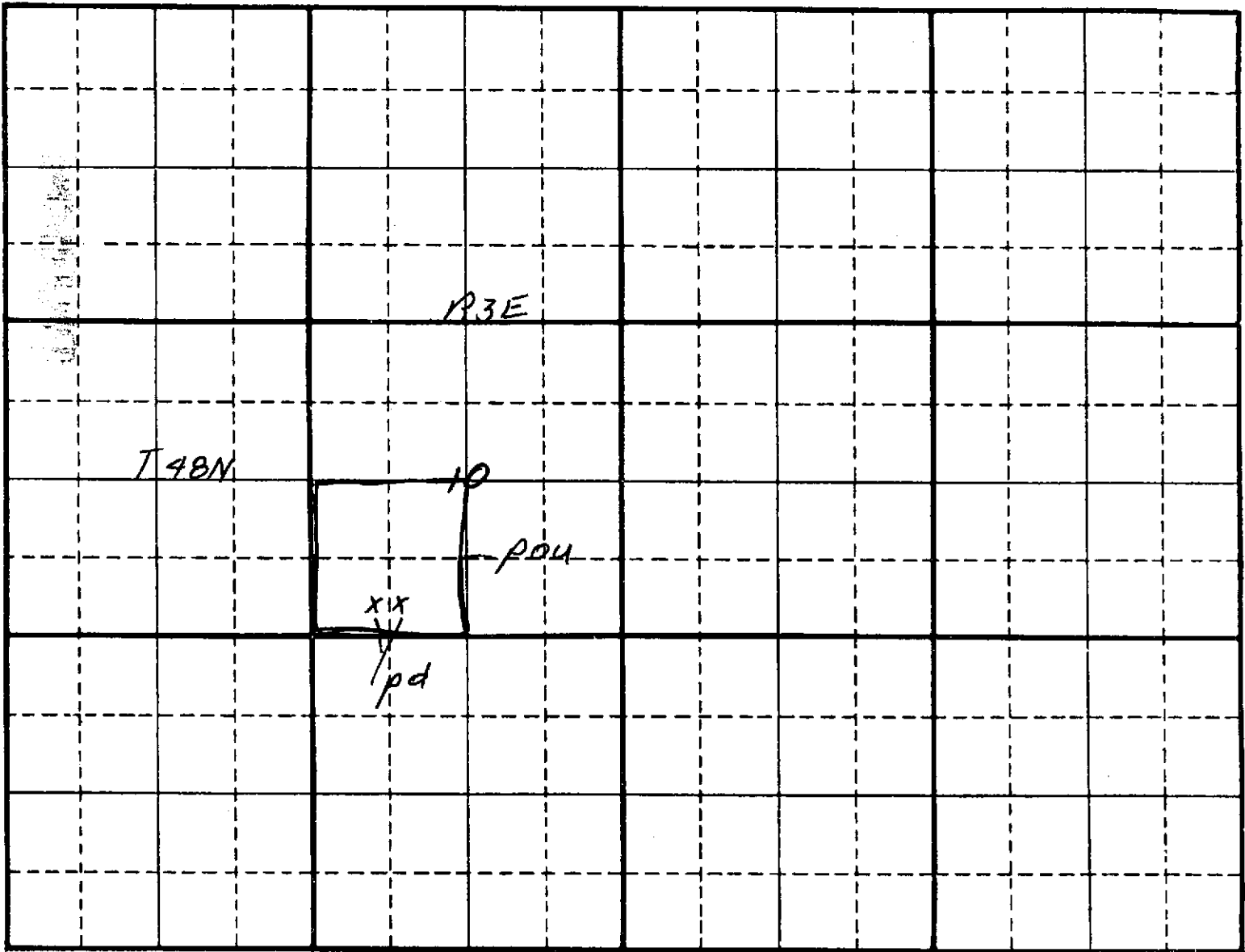
No. of acres _____

- B) If water is used for other than irrigation, fully describe that use, being as specific as possible:
-
- Mining and milling

NOTE: Include here the type and number of stock watered: _____

- (7) If you are claiming water as a member of an organization, list name of organization: _____

(8) Remarks _____



Scale: 2 inches equal 1 mile.

Map should show the location of the point of diversion and the place of use of the water by 40-acre subdivisions, section, township and range of the public land survey system.

State of Idaho)
County of Ada) ss.

Be it known that the undersigned, being duly sworn, deposes and says that he, she, they subscribed the foregoing claim to a water right, together with all attached information, and that the matters and facts therein are true to the best of the affiant's knowledge.

Sworn to before me this 28 day of June

Sundance Mining Co. by [Signature]
(Claimant)
19 83

Nancy M. Northway
Notary Public
Residing at Boise

My commission expires Life

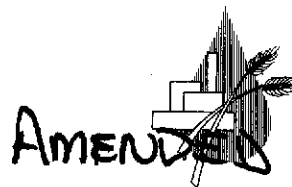
JK-7/1/83 FOR DEPARTMENT USE ONLY
Received by She Date 6/30/83 Exception filed by: _____ Forwarded to _____ Date _____
Prelim. check by JK Date 7-7-83 claimant by: _____
\$30.00 fee received by JK 28739 Date 7/7/83
Published in Kellogg Evening News
Dates 8/17 8/24

NOTE!

The only difference in this
enclosed check to the original is the
signature. The signature on original is
of an attorney for Denchuk Mines

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

AMENDED CLAIM TO A WATER RIGHT



Under the provisions of Section 42-243, Idaho Code, any person using or claiming rights to the public waters of Idaho established by diversion and application to a beneficial use must file a claim with the Department of Water Resources on or before June 30, 1983. Exempted from this filing are single family domestic uses as defined in Section 42-230(d), Idaho Code. Also exempted are rights represented by a permit, license, decree, adjudicated right, or a previously filed claim.

The filing of this claim does not confirm the water right claimed but failure to file may result in forfeiture of a water right.

Notice is hereby given that Sunshine Mining Company
(Name of Claimant)
P.O. Box 1080, Kellogg, Idaho 83837 Telephone No. (208) 783-1211
(Mailing Address) (Zip Code)

claims a right to the diversion and beneficial use of the surface or ground water. The extent and nature of said claim is as follows:

(1) Date of priority: (When was the water first applied to a beneficial use) 1969

A claim is not acceptable on a ground water source with a priority later than March 25, 1963 or on a surface water source with a priority later than May 20, 1971. An exception is that a claim may be filed on single family domestic use from a ground water source.

(2) Describe the source of water: (Name of stream, lake, spring, etc., or ground water)
Big Creek tributary to South Fork Coeur d'Alene River

(3) Describe the purpose for which the water has been used and the time during the year when you have used the right claimed:

Quantity	(cfs, af)	Use	(Domestic, Irrigation, Stock, Etc.)	(Both dates inclusive)	
				(Mo., Day)	(Mo., Day)
Quantity .5 cfs		Use mining & milling		Period of Use From Jan 1	To Dec 31
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To
Quantity		Use		Period of Use From	To

(4) .5 cfs TOTAL QUANTITY USED.
(cfs, af)

(5) A) Point of diversion: (Location of point where water is diverted from its source)
SW ¼ SW ¼, Sec. 10 Twp. 48N Rge. 3E B.M., County of Shoshone
Additional points of diversion: SESW, Sec. 10, T. 48N, R. 3E

B) Describe means of diversion of water: (Pump and pipeline, well, diversion dam, reservoir, length of ditch and field, etc.). Give sizes and capacities: be as specific as possible. Describe any changes in the system and give the date of the change. 3 ft. perforated culvert placed along Big Creek and 2-40 hp pumps

(6) A) Describe location of use by listing number of irrigated acres within each 40-acre tract in appropriate box. If use is not for irrigation, place an "X" in appropriate box to show location.

T	R	SEC.	NE¼				NW¼				SW¼				SE¼				TOTAL
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
48N	3E	10									X	X	X	X					

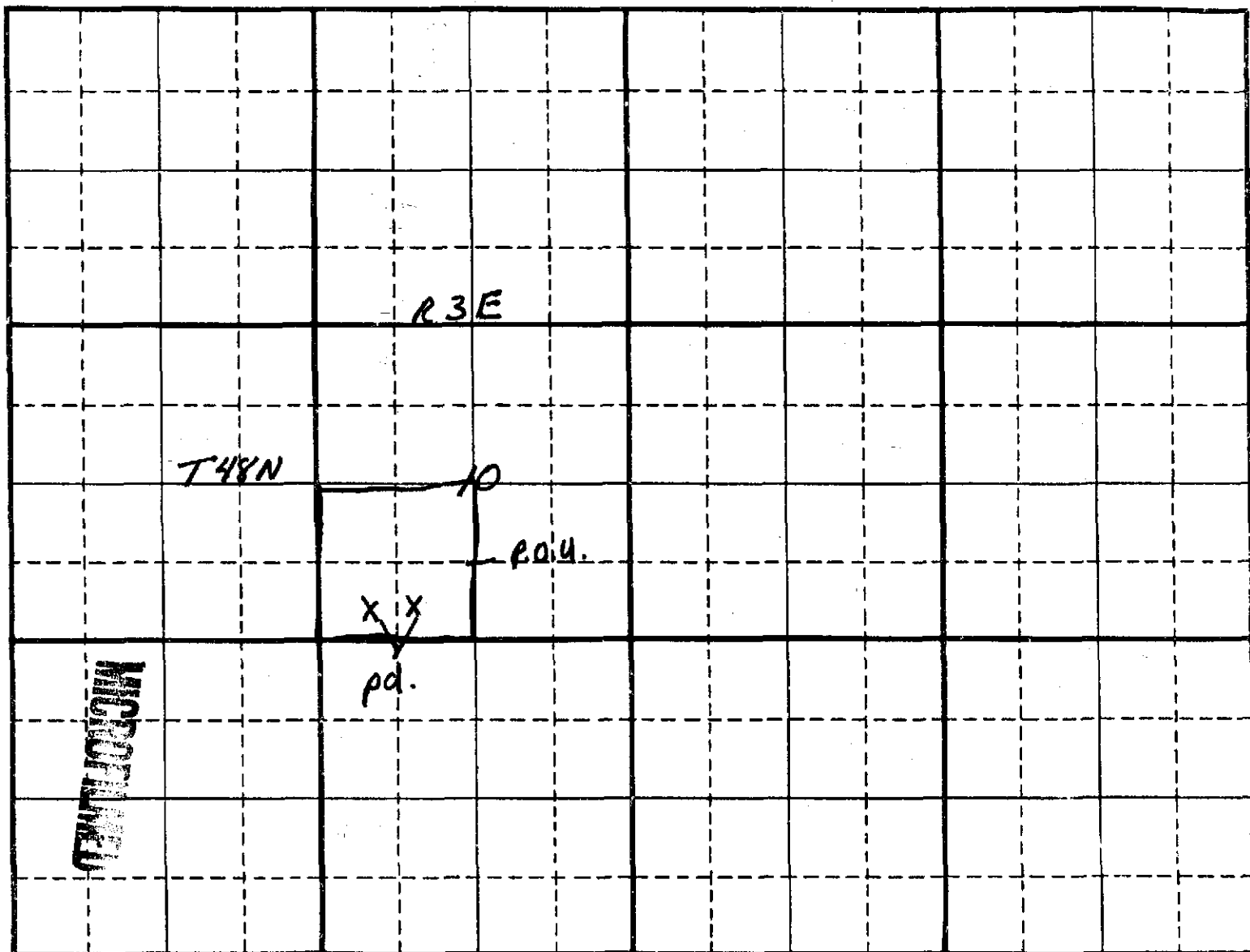
No. of acres

B) If water is used for other than irrigation, fully describe that use, being as specific as possible: Mining and Milling

NOTE: Include here the type and number of stock watered:

(7) If you are claiming water as a member of an organization, list name of organization:

(8) Remarks _____



Scale: 2 inches equal 1 mile.

Map should show the location of the point of diversion and the place of use of the water by 40-acre subdivisions, section, township and range of the public land survey system.

State of Idaho)
County of Shoshone) ss.

Be it known that the undersigned, being duly sworn, deposes and says that he, she, they subscribed the foregoing claim to a water right, together with all attached information, and that the matters and facts therein are true to the best of the affiant's knowledge.

Sworn to before me this 5th day of July, 1983.

Alan E. Bort
(Claimant)

Carroll Keiser
Notary Public
Residing at Kellogg

My commission expires 8-8-84

FOR DEPARTMENT USE ONLY

Received by <u>JR</u>	Date <u>8/19/83</u>	Exception filed by:	Forwarded to	Date
Prelim. check by <u>JR</u>	Date <u>8/19/83</u>		claimant by:	
\$30.00 fee received by <u>JR</u>	Date <u>8/19/83</u>			
Published in _____				
Dates _____				

PROOF OF PUBLICATION

RECEIVED

SEP 2 1983

County of Shoshone,)
STATE OF IDAHO)

Department of Water Resources
Northern District Office

NOTICE OF CLAIMS TO WATER RIGHTS

The following claim(s) have been
filed on water right(s) created by
diversion and beneficial use:

91-4123

Name: OLIVER, JIM
Address: P.O. BOX 487, CALDER,
ID 83808
Source: BIG CREEK trib. to SAINT
JOE RIVER
Priority Date: Jan. 1, 1913
Diversion Point: NESW Sec. 05 T
45N R 03E
Use: IRRIGATION (0.22 CFS);
STOCKWATER (0.04 CFS); COM-
MERCIAL (0.04 CFS).
In: NESW Sec. 05 T 45N R 03E FOR 2
ACRES.

91-4125

Name: GREEN, DONALD C.
Address: P.O. BOX 524, CALDER,
ID 83808
Source: SPRING trib. to SAINT
JOE RIVER

Priority Date: June 1, 1940
Diversion Point: SWSW Sec. 05 T
45N R 03E
Use: STOCKWATER (0.02 CFS)
In: SWSW Sec. 05 T 45N R 03E

94-4258

Name: BURLINGTON NOR-
THERN RAILROAD CO.
Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104
Source: SPRING trib. to PLACER
CREEK

Priority Date: Jan. 29, 1904
Diversion Point: SWSE Sec 27 T 48N
R 04E
Use: INDUSTRIAL (6.00 CFS);
MINING (6.00 CFS); DOMESTIC
(6.00 CFS).
In: SWSE Sec 27 T 48N R 04E

94-4259

Name: BURLINGTON NOR-
THERN RAILROAD CO.
Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104
Source: SPRING trib. to COEUR
D'ALENE RIVER, South
FK.

Priority Date: Nov. 7, 1891
Diversion Point: NWSW Sec. 25 T
48N R 05E
Use: INDUSTRIAL (0.20 CFS);
MINING (0.20 CFS)
In: NWSW Sec. 25 T 48N R 05E

94-4260

Name: BURLINGTON NOR-
THERN RAILROAD CO.
Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104
Source: SPRING trib. to GROUSE
CREEK

Priority Date: May 3, 1896
Diversion Point: NWNE Sec. 03 T
48N R 02E
Use: INDUSTRIAL (0.050 CFS)
In: LOT 02 (NWNE) Sec. 03 T 48N R
02E

94-4261

Name: BURLINGTON NOR-
THERN RAILROAD CO.
Address: 350 CENTRAL BLDG.,
SEATTLE, WA 98104
Source: HARRIS GULCH trib. to
COEUR D'ALENE RIVER

Priority Date: April 16, 1896
Diversion Point: SWSW Sec 31 T 48N
R 06E
Use: INDUSTRIAL (1.80 CFS);
MINING (1.80 CFS)
In: SWSW Sec 31 T 48N R 06E

s/Gary A. Corbeil, being first duly sworn deposes and says:

THE KELLOGG EVENING NEWS, a daily newspaper of general
circulation in said county, published in the City of Kellogg, in the
County of Shoshone and the State of Idaho, and which has been
published continuously in said county for a period of 78 weeks
immediately prior to the publication of the notice hereinafter
described, and that the

of which the annexed is a true copy, was published in each regular
weekly/daily issue of said newspaper, and not in a supplement
thereto, for a period of 2 consecutive weeks/days, the
first publication thereof being in its issue dated 7-11-83
and the last publication thereof being in the issue dated
8-24-83

Subscribed and sworn to before me this 31st day of

August, 1983

Notary Public

94-4262

Name: CENTRAL SHOSHONE
COUNTY WATER DIST.
Address: 409 MAIN ST., KELLOGG,
ID 83837
Source: ELK CREEK, WEST FORK
trib. to ELK CREEK

Priority Date: Nov. 21, 1934
Diversion Point: SWSE SESE Sec 08
T 48N R 03E
Use: DOMESTIC (2.00 CFS).
In: NESE NWSE SWSE SESE Sec.
08 T 48N R 03E

94-4263

Name: CENTRAL SHOSHONE
COUNTY WATER DIST.
Address: 409 MAIN ST., KELLOGG,
ID 83837
Source: NILO CREEK trib. to
COEUR D'ALENE RIVER, SOUTH
FK.

Priority Date: May 5, 1885
Diversion Point: SWNE Sec. 13 T
48N R 02E
Use: DOMESTIC (3.00 CFS)
In: SESE NESE Sec. 12 T 48N R 02E
NENW NWNW SWNW SENW
NWSW Sec. 07 T 48N R 03E

94-4265

Name: GARCIA, WILLIAM LOUIS
Address: P.O. BOX 672, MULLAN,
ID 83848
Source: GROUNDWATER
Priority Date: June 1, 1952
Diversion Point: NENE Sec. 36 T
48N R 05E

Use: DOMESTIC (0.04 CFS).
In: NENE Sec 36 T 48 N R 05E

94-4266

Name: SMITH, GEORGE L.
Address: GEM STAR RT.,
WALLACE ID 83873
Source: SPRING trib. to CANYON
CREEK
Priority Date: Jan. 1, 1900

Diversion Pt: SENW Sec. 18 T 48N R
05E
Use: IRRIGATION 0.20 CFS);
DOMESTIC (0.04 CFS)
In: SENW Sec 18 T 48 N R 05E FOR 1
ACRES

94-4267

Name: SUNSHINE MINING CO.
Address: P.O. BOX 1080,
KELLOGG, ID 83837
Source: BIG CREEK trib. to
COEUR D'ALENE RIVER, SOUTH
FK.

Priority Date: Jan. 1, 1969.
Diversion Pt: SWSW SESW Sec. 10 T
48N R 03E
Use: INDUSTRIAL (0.50 CFS);
MINING (0.50 CFS)
In: NESW NWSW SWSW SESW Sec.
10 T 48N R 03E

94-4268

Name: CANTAMESSA, JON F.
&/or IRIS M.
Address: NINE MILE RD.,
WALLACE, ID 83873
Source: SPRING trib. to
NINEMILE CREEK
Priority Date: July 1, 1930
Diversion Pt.: SWSE Sec 23 T 48N R
04E
Use: IRRIGATION (0.20 CFS);
STOCKWATER (0.02 CFS);
DOMESTIC (0.06 CFS)
In: SWSE SESW Sec. 23 T 48N R 04E
FOR 4 ACRES

Exceptions to a claim may be filed
with the Director: Dept. of Water
Resources, 4055 Gov't. Way, Coeur
d'Alene, Id. 83814.

KEN DUNN, Director
8/17/24/'83 YoldLg



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

October 10, 2002

FORMATION CHEMICALS INC
C/O FORMATION CAPITAL CORP
SUITE 720 - 789 W PENDER ST
VANCOUVER BC CANADA V6C 1H2

RE: Change of Ownership for Water Rights 94-4267 and 94-7290

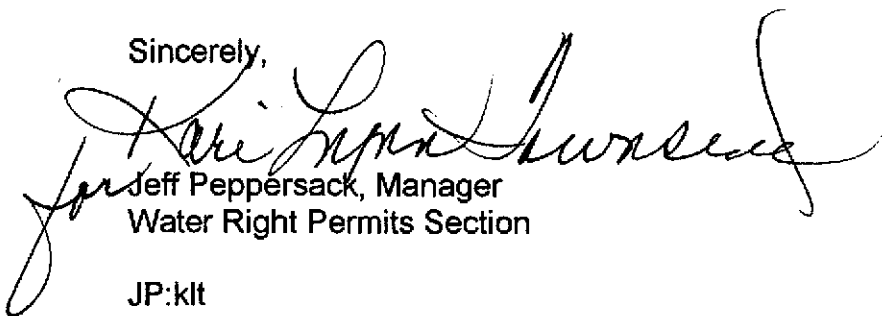
Dear Water Right Holder(s):

The department acknowledges receipt of correspondence changing ownership of the above referenced water rights to you. The department has modified its records to reflect the changes in ownership and has enclosed computer-generated reports for your records.

Please note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right to the department. Notice of the change must be provided to the department within 120 days of the change. Change reporting forms are available from any office of the department.

Please feel free to contact this office if you have any questions regarding this matter.

Sincerely,



Jeff Peppersack, Manager
Water Right Permits Section

JP:klt

cc: Linda B. Jones, Holland & Hart, LLP, PO Box 2527, Boise, ID 83701-2527

Enclosures

MICROFILMED

OCT 17 2002



State of Idaho

DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615

(208) 769-1450

Fax (208) 769-1454

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

October 2, 2002

RECEIVED

OCT - 8 2002

Department of Water Resources

LINDA B JONES
HOLLAND & HART LLP
PO BOX 2527
BOISE ID 83701-2527

Re: Water Right Nos. 94-4267 and 94-7290

Dear Ms. Jones:

This acknowledges receipt of the Notice of Change in Water Right Ownership papers for the above referenced water right, changing the ownership to Formation Chemicals, Inc. Enclosed is receipt No. N015308, for your records.

We are forwarding the paperwork to the State Office for processing.

If you have any questions, please contact KariLynn Townsend in our State Office, at 208-327-7941.

Sincerely,

Dianne Ball
Administrative Assistant

Enc.

db

cc: IDWR State Office - Kari Lynn Townsend

MICROFILMED

OCT 17 2002

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE • CASPER
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

SUITE 1400
101 SOUTH CAPITOL BOULEVARD
BOISE, IDAHO 83702-7714
MAILING ADDRESS
P.O. BOX 2527
BOISE, IDAHO 83701-2527

TELEPHONE (208) 342-5000
FACSIMILE (208) 343-8869

LINDA B. JONES
ljones@hollandhart.com

September 30, 2002

Idaho Department of Water Resources
Northern Region
1910 Northwest Blvd., Suite 210
Coeur d'Alene, ID 83814-2615

Re: Change in Water Rights Ownership

Dear Sir/Madam:

Enclosed please find a Notice of Change of Water Rights Ownership signed by my client, Formation Chemicals, Inc. (by Scott Bending, President). Attached to the Notice are a copy of the Warranty Deed by which Formation Chemicals, Inc. obtained title to the property from Sunshine Precious Metals, Inc. and a copy of the corporate documents showing the change in name from Sunshine Mining Company to Sunshine Precious Metals, Inc. Our check in the amount of \$50.00 to cover the fees is also enclosed.

Please let me know if there is anything else required by you in order to change the ownership of record of the listed water rights. Following the change, please send me a copy of your revised DWR/SRBA computer printout or other documentation of the change in ownership. Thank you for your attention to this matter.

Sincerely,

HOLLAND & HART^{LLP}


Linda B. Jones

LBJ:cd

cc: Mari-Ann Green
Scott Bending
John Allen

Enclosures
2993516_1.DOC

MICROFILMED

OCT 17 2002

State of Idaho
Department of Water Resources

CLAIM ANALYSIS SHEET

INITIAL REVIEW BY: JK

Right Number 94-4267

Applicant Shoshone Mining

NOTE: IF ANY OF THE ITEMS BELOW ARE MISSING, THE CLAIM IS INCOMPLETE AND MUST BE RETURNED IMMEDIATELY TO THE CLAIMANT ALONG WITH THE APPROPRIATE COVER LETTER.

CHECK:

- ☒ Name and address.
- ☒ Date of priority. (Check for a date past the mandatory filing dates.) (One date only.)
- ☒ Source.
- ☒ Quantity, use, period.
- ☒ Point(s) of diversion.
- ☒ Location of use.
- ☒ Signature/notarization/fee.

FINAL REGIONAL PROCESSING REVIEW:

- ☒ Affidavit of publication received.
- ☒ Claim published correctly.
- ☒ Exceptions processed.

By JK

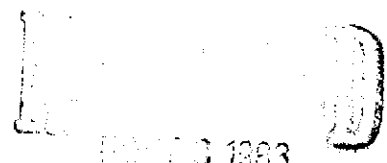
Date 9/12/83

STATE OFFICE PROCESSING:

- ☒ Claim review complete.

By SC

Date 11-8-83



Department of Water Resources

24-4267

SUNSHINE MINING CO.

P.O. BOX 1080, KELLOGG, ID 83837

Source: BIG CREEK trib. to COEUR D'ALENE RIVER, SOUTH FK.

Priority Date: 01/01/1969

Diversion Pt: ESW SESW Sec 10 T 48N R 03E

Use: INDUSTRIAL	(0.50 CFS)
MINING	(0.50 CFS)

In: NESEW NNESEW ESEW SESEW Sec 10 T 48N R 03E

RECEIVED
FEB 11 1969

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
Northern Region

JOHN V. EVANS
Governor
A. KENNETH DUNN
Director

4055 Government Way
Coeur d'Alene, ID 83814
(208) 667-6484

SEPTEMBER 5, 1983

SUNSHINE MINING CO.
P.O. BOX 1080
KELLOGG

ID 83837

RE: Claim No. 94-4267

Dear Claimant:

The Department of Water Resources has completed the advertising of your claim to a water right, and no further action is authorized under Section 42-243 and 42-244, IDAHO CODE. Your claim will be retained in our files and will be available at any time for use by you or the court.

The filing and advertising of the claim does not confirm the water right claimed, but will serve to record and preserve the information and the evidence which you included in your claim.

If, at a later date, you find that you have additional information or supporting evidence that you would like to have included with the claim, you may have that information or evidence added at any time. Please refer to the claim identification number when corresponding with this office.

We are enclosing a copy of your claim for your records. If you have questions, or if this office may be of further assistance, please feel free to contact us.

Yours truly,

Robert G. Haynes, P.E.
Regional Supervisor

Enclosure