

# Other Business Arrangement Exploration Agreement with Option to Lease (ML 90039-OBA)

Northern Paradox Basin Brine Project  
Grand County, Utah  
Utah Energy Minerals LLC ("UEM")

Tyler Wiseman – Lease Manager / Geoscientist



# Northern Paradox Basin Brine OBA

## Grand County

### Geologic Overview

- Northern Paradox Basin
- Thick Pennsylvanian salt deposits
- Supersaturated brines
- Commercial possibilities for the extraction of Mg, K, Br, B, Li, and other minerals

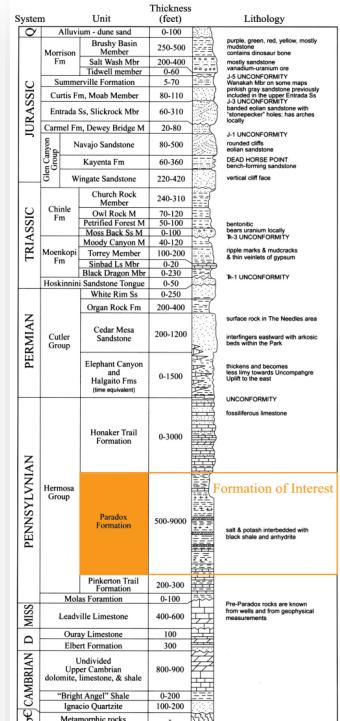
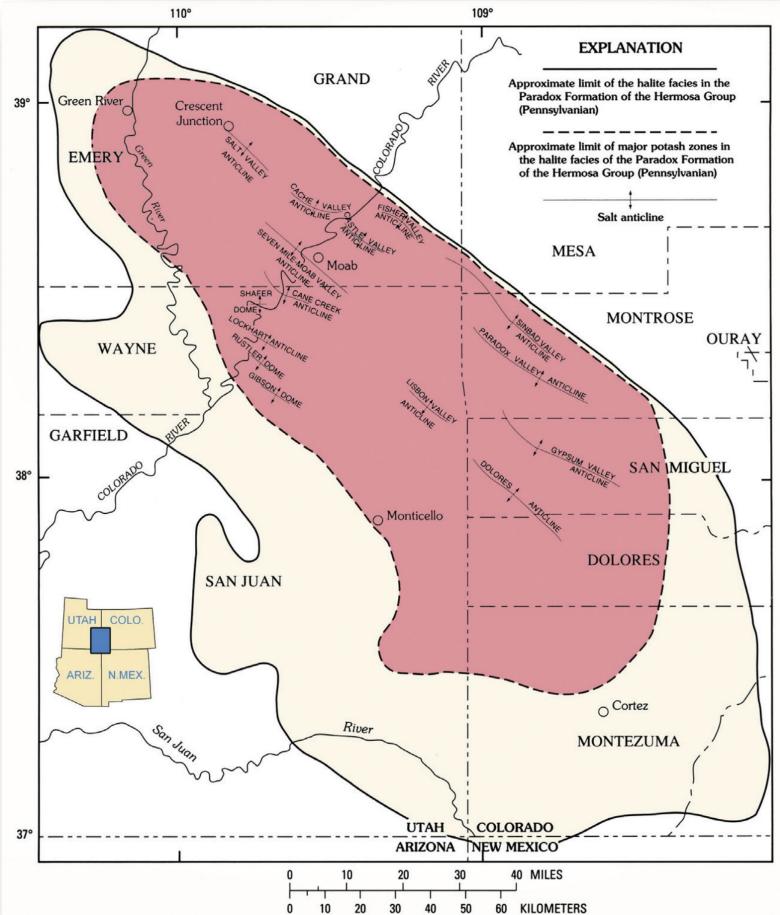


Figure 2. Regional stratigraphic column (from Hintze and Kowallis, 2009; used with permission).

King Oil No. 2 Big Flat, section 11, T. 26 S., R. 19 E., Grand County. Paradox Formation, 6196-6220 feet. Analysis by Chemical and Geological Laboratories.

Ammonia	1,330 ppm
Borate ( $B_4O_7$ )	2,922
Bromine	1,150
Calcium	40,742
Chloride	259,106
Lithium	173
Magnesium	47,789
Potassium	41,957
Sodium	25,966
Sulfate	754
Total solids	421,889

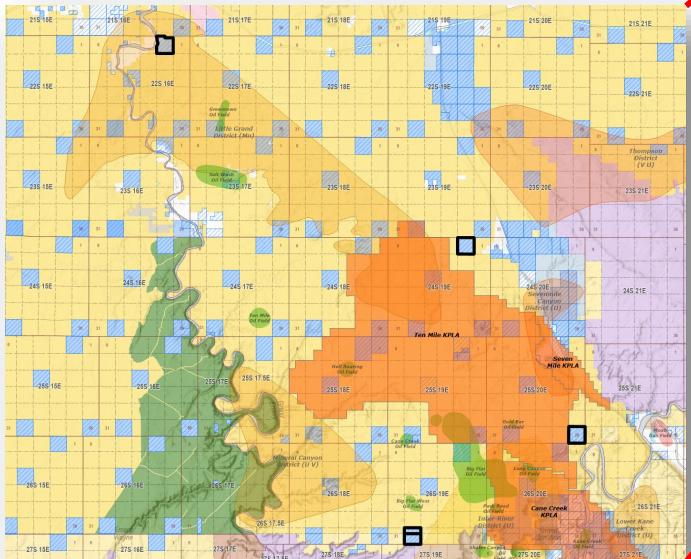
# Northern Paradox Basin Brine OBA

T22S, R16E, Section 2, SLB&M

T24S, R19E, Section 2, SLB&M

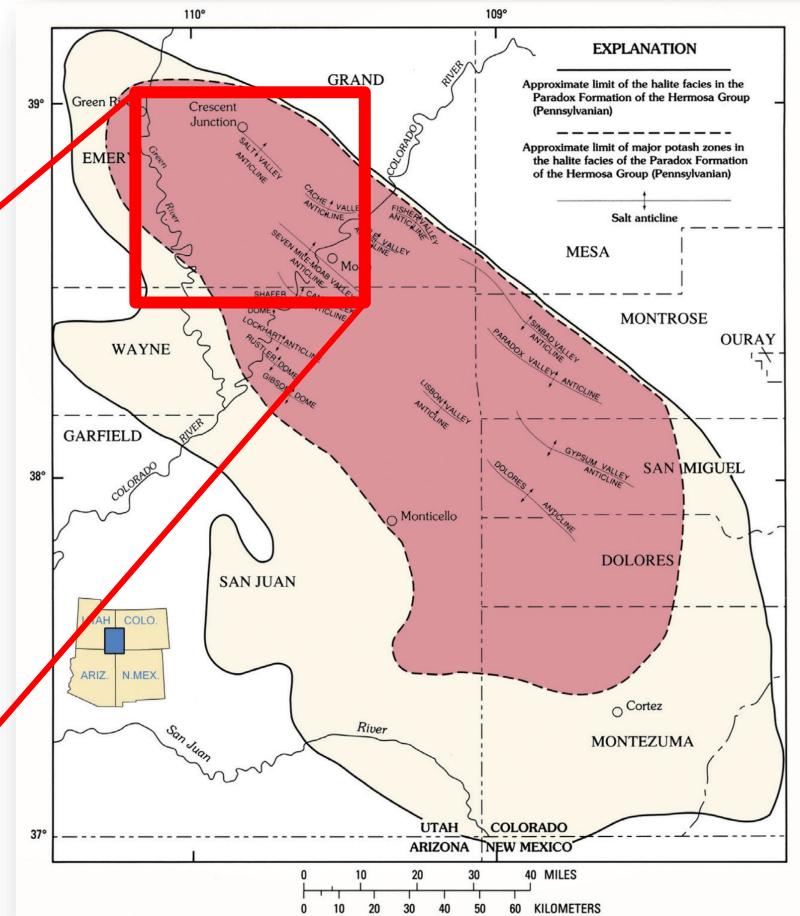
T25S, R20E, Section 36, SLB&M

T26S, R19E, Section 32, SLB&M



~2,480 Total Acres

School (100%)



# Northern Paradox Basin Brine OBA

## Proposal

### • 5-Year Exploration Agreement

#### Years 1-3

- Drill new well or re-enter existing well in northern prospect area
- Geochemical test formation of interest
- Yearly technical report/update

#### Years 4-5

- Drill new well or re-enter existing well in southern prospect area
- Geochemical test formation of interest

#### \$11.00/acre while in exploration agreement period

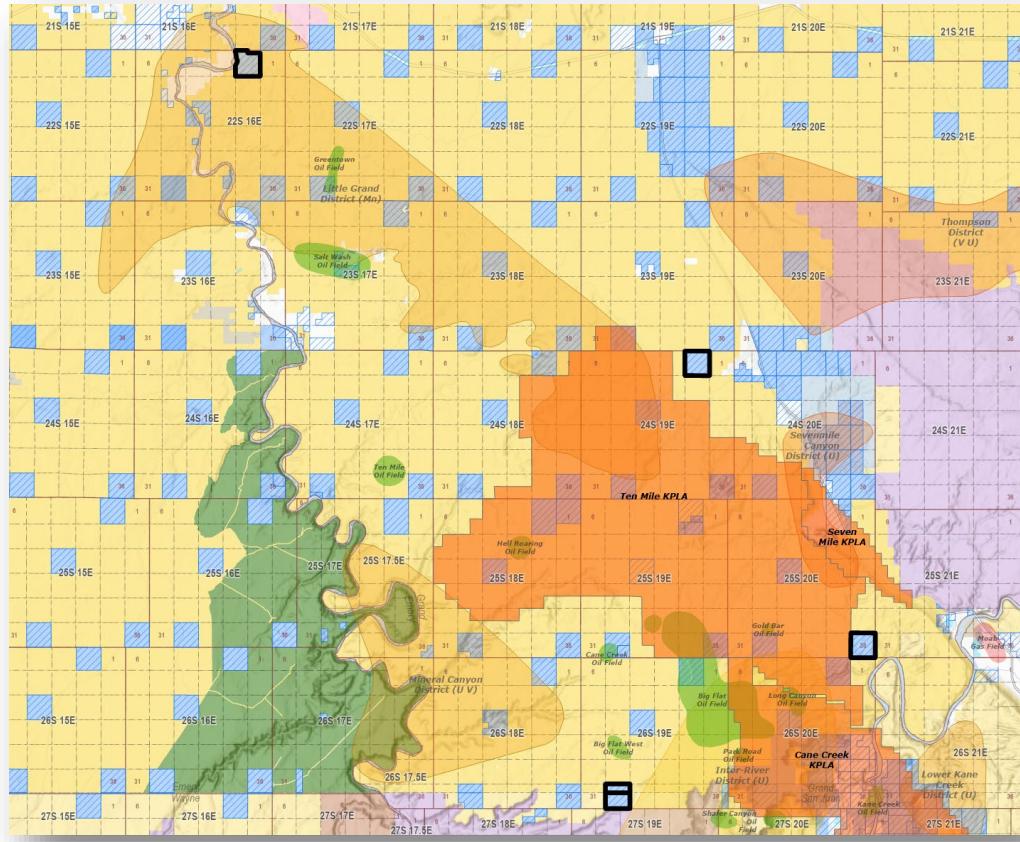
### • Option to Lease All Commodities

#### 10-year primary "Other" Minerals Lease

- lithium-rich brines, potash, mineral salts, metalliferous minerals
- \$8.00/acre per annum
- 5% royalty

#### 5-year primary Oil, Gas, & Assoc. Hydrocarbons Lease

- including helium
- \$2.00/acre per annum
- 1/6<sup>th</sup> (16 2/3%) royalty



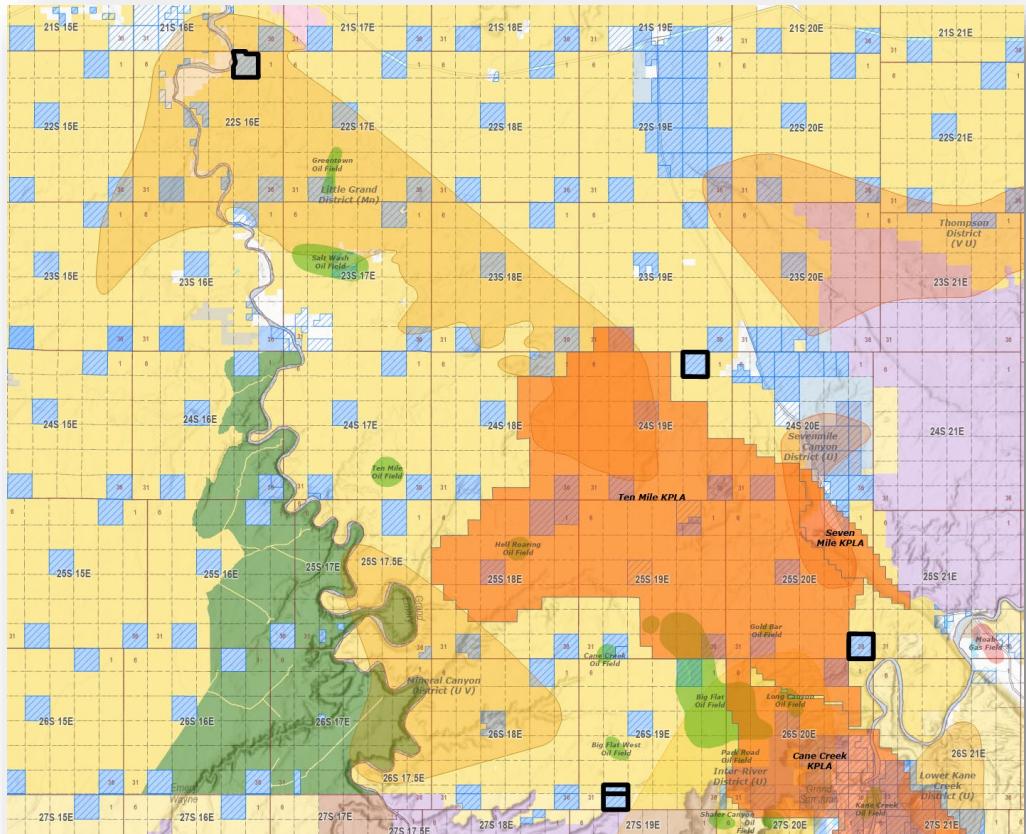
# Northern Paradox Basin Brine OBA

## Rationale & Recommendation

- Known (but unproven) brine resource
- 2,500-acre focused exploration
- 5-Year work commitment

This OBA proposal was reviewed by the Energy & Minerals Committee.

The Energy & Minerals group requests the Board approve the Northern Paradox Basin Brine OBA.



# Questions?

Thank You

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