

2011-000465

Klamath County, Oregon



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MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

Optim
c/o William Honjas
200 South Virginia Street, Suite 560
Reno, NV 89501

MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

THIS MEMORANDUM OF LEASE AND GEOTHERMAL AGREEMENT ("Memorandum of Lease") is executed as of the date all geothermal rights, legal property descriptions and legal title has been confirmed ("Lease Effective Date"), by and between Don and Linda Douglas hereafter referred to individually or in total as "Lessor", and Optim Inc., a Nevada Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee have executed that certain Geothermal Lease and Agreement ("Lease") dated the date all geothermal rights, legal property descriptions and legal title has been confirmed ("Lease Effective Date"), conveying a leasehold interest in certain geothermal steam, geothermal fluids, geothermal energy, heat, hot water, extractable minerals, and all byproducts and gases associated therewith ("Leased Substances") located on and within the real property located in Klamath County, Oregon, as more particularly described in Section 2, of this Memorandum of Lease ("Premises"); and

WHEREAS, Lessor and Lessee desire to record notice of the Lease in the real estate records of Klamath County, Oregon.

NOW, THEREFORE, in consideration of the foregoing, Lessor and Lessee hereby declare as follows:

1. Demise. Lessor has leased and hereby does lease the Premises for the purpose of exploring, prospecting, drilling, mining and operating for and producing, treating, converting, extracting, processing and utilizing Leased Substances, as well as storing, taking, removing, transporting, and disposing of such Leased Substances in order to generate electric power and other commercial products and byproducts for use or sale,

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

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along with a right-of-way to transit upon and across the surface of the Premises and through the strata of the Premises and the right to store equipment and materials, and to construct, use, maintain, operate and remove any and all facilities thereon and therein, all as may be necessary, useful or convenient in connection with and to accomplish the foregoing.

2. Premises. The Premises is described as follows:

Legal Description of Premises, is attached to and made a part of Geothermal Lease and Agreement ("Lease") dated the date all geothermal rights, legal property descriptions and legal title has been confirmed ("Effective Date") October 1, 2014 hereafter referred to individually or in total as "Lessor", and **Optim Inc.** as "Lessee." Unless otherwise specified, capitalized terms contained herein shall have the meanings assigned to them in the Lease.

The "Premises" that is the subject of the Lease includes the real property, situated in the State of Oregon, County of Klamath, in an unincorporated area, described as follows:

_____ Township Range _____ section

The South half of the Southwest quarter of Section 19, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, excepting so much thereof as was conveyed to the United States by H.S. Newton and wife by deed recorded in Book 23 on page 579, Deed Records of Klamath County, Oregon.

3. Term. The Lease is for a term ("Initial Term") of ten (10) years beginning on the Lease Effective Date and continues thereafter indefinitely ("Extended Term" and together with the Initial Term, the "Term") provided that certain conditions are satisfied by the Lessee. If Lessee is not producing Leased Substances in "Commercial Quantities" (as defined in the Lease) within fifteen (15) years from the Lease Effective Date, then Lessor has the option of declaring the Lessee in default.

4. Restrictions on Encumbrances. Throughout the Term of the Lease, Lessor is prohibited from recording against the Premises liens, encumbrances, water rights, geothermal rights and other matters that would constitute exceptions to title and has the duty to defend the title and to indemnify the Lessee from and against any liens or encumbrances.

5. Restrictions on Transfer. Subject to certain exceptions, Lessor may transfer its interest in the Premises to a third party subject to the restrictions which are set forth with more particularity in the Lease.

6. Counterparts. This Memorandum of Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument.

7. Purpose. The purpose of this Memorandum of Lease is to give public notice of the existence of the Lease and is not intended to limit or augment any of the rights granted in the Lease, the terms of which are incorporated herein by reference. In the event of any inconsistency between this Memorandum of Lease and the terms and conditions of the Lease, the Lease shall prevail.

IN WITNESS WHEREOF, the Lessor and Lessee have caused this Lease to be duly executed as of the date first above written

LESSOR []

Optim, Inc.

By: _____

Name: Linda R. Douglas

Title: Land Owner

Date: 9-29-2010

By: _____

Name: Bill Honjas

Title: President

Date: 10/22/10

State of Oregon
County of Klamath

NOTARY SEAL
GALLAGHER
BLC - OREGON
CN NO. 449434
RES MAY 24, 2014

On Sept 29, 2010 before me, MARY JO GALLAGHER, Notary

Public, personally appeared

Linda R Douglas, who proved to

me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Oregon that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary Jo Gallagher

OFFICIAL SEAL
MARY JO GALLAGHER
NOTARY PUBLIC - OREGON
COMMISSION NO. 449434
MY COMMISSION EXPIRES MAY 24, 2014

(Seal)

NOTARY ACKNOWLEDGEMENT ATTACHMENT FOR William Honjas

State of Oregon
County of Klamath

On this 22 day of October, 2010, personally appeared before me the above named William Honjas, and acknowledged the foregoing instrument to be his/her/their voluntary act and deed.

WITNESS My hand and official seal.



Mary Jo Gallagher
Notary Public for Oregon
My Commission expires: 5-24-2014

OFFICIAL SEAL
MARY JO GALLAGHER
NOTARY PUBLIC - OREGON
COMMISSION NO. 449434
MY COMMISSION EXPIRES MAY 24, 2014

Unofficial Copy