

AGREEMENT OF LIMITED PARTNERSHIP

OF

BIG TURTLE LIMITED PARTNERSHIP

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AGREEMENT OF LIMITED PARTNERSHIP

OF

BIG TURTLE LIMITED PARTNERSHIP

THIS AGREEMENT OF LIMITED PARTNERSHIP is entered into this \_\_\_\_ day of \_\_\_\_\_, 198\_\_, by and between BIG TURTLE MINES, INCORPORATED, an Idaho Corporation, as General Partner, and each of the persons who shall execute a counterpart of this Agreement, (hereinafter referred to collectively as the "Limited Partners"), in accordance with the provisions of the Idaho Limited Partnership Act.

ARTICLE I  
ORGANIZATION

Section 1.01. Formation of Limited Partnership.

The parties hereto form, as of the date hereof, a Limited Partnership (hereinafter sometimes called the "Partnership") pursuant to the provisions of the Idaho Limited Partnership Act and upon the terms and conditions herein set forth.

Section 1.02. Name of Partnership.

The name of the Partnership shall be Big Turtle Limited Partnership. The General Partner in its discretion may change the firm name at any time and from time to time and the business of the Partnership may be conducted under any name chosen by the General Partner.

Section 1.03. Certificate of Limited Partnership, Etc.

The parties hereto shall, concurrently with the execution hereof, sign and acknowledge a Certificate of Limited Partnership which will be duly recorded in accordance with the Idaho Limited Partnership Act in the County of Ada, State of Idaho, and each other county in which the Partnership shall hereafter establish a place of business or own real property.

Section 1.04. Principal Place of Business.

The principal place of business for the Partnership shall be 240 South Cole, Boise, Idaho 83709. Such location may be changed to such other place or places within Idaho as the General Partner may from time to time designate. In addition, the Partnership may maintain such other offices as the General Partner deems advisable.

Section 1.05. Purposes of Partnership.

The Partnership is formed for the purposes of:

To engage in the search for, exploration and development of potential gold and silver producing properties throughout North America.

To engage in any other commercial, industrial and agricultural enterprise calculated or designed to be profitable to this Limited Partnership and in conformity with the laws of the United States, the State of Idaho, and any other states in which the Limited Partnership shall do business.

ARTICLE 2  
TERM OF THE PARTNERSHIP

The Partnership shall commence as of the date hereof and shall continue until December 31, 2032 unless sooner terminated in accordance with the provisions of these Articles of Limited Partnership or as otherwise provided by law.

ARTICLE 3  
DEFINITIONS

When used in this Agreement, the following terms shall have the meanings set forth below.

Section 3.01.

"Partnership" shall mean the Limited Partnership created under this Agreement.

Section 3.02.

"General Partner" shall mean Big Turtle Mines, Incorporated or any successor elected in its place pursuant to Section 7.04 hereof.

Section 3.03.

"Limited Partners" shall refer to those persons who shall sign this Agreement and the Certificate of Limited Partnership and make a capital contribution to the Partnership pursuant to Section 4.03 hereof and to such other persons who are admitted to the Partnership as substituted Limited Partners and who are then owners of a Limited Partnership interest. Reference to a "Limited Partner" shall mean any one of the Limited Partners.

Section 3.04.

"Partners" shall mean collectively the General Partner and the Limited Partners. Reference to a "Partner" shall mean any one of the Partners.

Section 3.05.

"Unit" shall refer to an interest in the Partnership representing a contribution of Five Hundred Dollars (\$500.00) to the capital of the Partnership by a Partner. Reference to "Units" shall be to more than one Unit. The capital of the Partnership shall consist of Three Thousand (3,000) Units.

Section 3.06.

"Cash Flow" shall mean the excess of cash income from operations over cash outflow. Cash outflow shall include payments on debts and obligations of the Partnership as well as reasonable reserves and allowances for contingencies and anticipated obligations.

Section 3.07.

"Partnership Percentage" with respect to any Partner shall mean that fraction, expressed as a percentage, having as its numerator the capital contribution of the Partner and having as its denominator the total capital contributions of all Partners.

Section 3.08.

"Capital Contribution" with respect to any Partner means the amount of all cash or agreed value of property contributed to the Partnership by such Partner and any predecessor in interest of such Partner.

Section 3.09.

"Adjusted Capital Contributions" with respect to any Partner means that amount which is equal to the sum of all capital contributions theretofore made by such Partner less amounts theretobefore distributed to such Partner pursuant to Section 5.06 hereof.

ARTICLE 4  
PARTNERS AND CAPITAL CONTRIBUTIONS

Section 4.01. Amount of Capitalization.

The capitalization of the Partnership shall be an amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00).

Section 4.02. General Partner.

Big Turtle Mines, Incorporated, an Idaho corporation, whose address is 240 Cole Street, Boise, Idaho 93709 shall be the sole General Partner.

Section 4.03. Initial Contributions of Limited Partners.

(a) A Limited Partner shall, concurrently with the execution of this Agreement, contribute to the capital of the

Partnership, the sum of Five Hundred Dollars (\$500.00) for each Unit set opposite his name on the counterpart signature page.

(b) The name, residence address and number of Units purchased by each Limited Partner is set forth on the counterpart signature page.

Section 4.04. Additional Contributions.

Neither the General Partner nor any of the Limited Partners shall be required to contribute any additional capital to the capital of the Partnership, but the Partners may, upon written consent of all the Partners, contribute additional capital to the Partnership.

Section 4.05. Interest on Contributions.

No interest shall be paid on any capital contribution made by any Partner to the Partnership.

Section 4.06. Capital Account.

An individual capital account shall be maintained for each General and Limited Partner. The capital interest of each Partner and the capital account shall consist of his original contribution of capital, increased by additional capital contributions, if any, and by that portion of his share of the net profits of the Partnership and decreased by distributions from his capital account and by his share of the net losses of the Partnership.

Section 4.07. Return of Capital.

No specific time has been agreed upon for repayment of a Partner's capital contribution and no requirement is imposed on the General Partner to make or cause any such repayment. No Partner shall have the right to withdraw any capital contributed to the Partnership except to the extent he is entitled to distributions of cash under Article 5 hereof or upon dissolution or liquidation of the Partnership. However, if at any time, or from time to time, the General Partner determines in its sole discretion, that there is sufficient cash or other property in the Partnership which is not needed for the operation of the Partnership business, the General Partner may make a distribution as a return of capital to the Partners, according to the respective interest each holds at the time of such distribution subject to Article 5 hereof. Any such distribution shall be charged against the capital accounts of the Partners in the amount received by such Partners; provided, however, that no such return shall be made unless all liabilities of the Partnership have been paid or there remains property of the Partnership sufficient to pay said liabilities; and provided, further, that such Partner receiving said return shall be liable to the Partnership for any sum, not in excess of the amount returned with interest, necessary to discharge the liability of the Partnership to all creditors who extended credit or whose claims arose before said return. Except as above stated, a Partner shall have no further obligations to return to the Partnership the capital that has been returned to him.

Section 4.08. No Priority.

No Limited Partner shall have priority over any other Limited Partner either as to the return of his contribution of capital or as to profits, losses or distributions of cash flow and no Limited Partner shall have the right to demand or receive property other than cash in return for his contribution to the Partnership.

ARTICLE 5  
ALLOCATION OF INCOME AND LOSS; CASH DISTRIBUTIONS

Section 5.01. Net Profits and Net Losses.

The term "net profits" and "net losses" as used in this Agreement shall mean the taxable income or taxable loss determined by generally accepted accounting practices using the cash receipts and disbursements method by the accountant employed by the Partnership at the close of each fiscal year on the Partnership informational return filed for federal income tax purposes. An accounting prepared in accordance with said standards shall be rendered to each of the Partners annually.

Section 5.02. Allocation of Profits and Losses.

Except as provided in Section 5.06 hereof, the net profits or net losses of the Partnership shall be divided among or borne by the Partners proportionately in the ratio which the number of Units owned by each of them bears to the number of Units then owned by all Partners. Nothing contained in this Section 5.02 shall require a Limited Partner to bear actual cash losses in excess of his capital contribution to the Partnership. Nothing herein, however, shall prevent the allocation of tax losses in excess of the actual investment herein, so long as the same is permissible under the applicable provisions of the Internal Revenue Code.

Section 5.03. Distribution of Cash Flow.

In the event the General Partner elects to make a distribution of any "cash flow" it shall be proportioned among the Partners in the ratio which the number of Units owned by each of them bears to the number of Units owned by all of them on the date of such distribution.

Section 5.04. Distribution to Partners of Record.

Unless named in this Agreement, or unless admitted to the Limited Partnership, as provided herein, no person shall be considered a Partner in the Limited Partnership. Each Partner, and any other persons having business with the Limited Partnership, need only deal with the Partner so named or so admitted and they shall not be required to deal with any other person by reason of an assignment or transfer of the legal ownership of the Limited Partnership interest of a transferring or deceased Limited Partner. Any payment by the Limited Partnership to the person shown on the Limited Partnership records as a Partner or to his legal representatives or to the assignee of the right to receive Partnership distributions, shall acquit the Limited Partnership of all liability to any other person who may

be interested in such payment by reason of an assignment by a Limited Partner or by reason of his death or for any other reason.

Section 5.05. Distribution of Financing or Sales Proceeds.

Any proceeds derived by the Partnership from the sale of all or any portion of any Partnership Property shall be distributed to the Partners within ninety (90) days after receipt by the Partnership of such funds as follows:

(a) If such proceeds do not exceed the aggregate Adjusted Capital Contribution of the Partners, such proceeds shall be distributed to the persons and in the order indicated below:

(i) An amount equal to the Adjusted Capital Contribution of the Partners, such proceeds shall be distributed to the persons and in the order indicated below:

(ii) The balance, if any, of such net proceeds shall be distributed to the Partners in accordance with their respective Partnership Percentages.

Section 5.06. Reinvestment

(a) Reinvestment of any cash flow of the Partnership shall be permitted.

(b) The General Partner shall be paid a fee equivalent to ten percent (10%) of the net earnings derived from the management of any invested funds.

Section 5.07. Allocation of Net Income and Net Loss and Distributions for Transferred Units.

If one or more Units are transferred during any fiscal quarter of the Partnership, the net income or net loss attributable to such Unit or Units for such fiscal quarter shall be divided and allocated between the transferor and transferee as they shall agree; provided, however, that if the Partnership does not receive a written notice stating the manner in which such parties have agreed such net income or net loss is to be allocated between them on or before the last day of the month of the quarter in which the transfer occurs, then all such net income or net loss shall be allocated to the party who, according to the books and records of the Partnership on the last day of the fiscal quarter in which the transfer occurs, is the owner of record of the Unit or Units transferred. Distributions of Partnership assets shall be made only to persons who according to the books and records of the Partnership are the owners of record of the Units on the date determined by the General Partner as to which owners of Units are entitled to such distributions. The General Partner and the Partnership shall incur no liability for making distributions in accordance with the provisions of this Section 5.07, whether or

not the General Partner or Partnership have knowledge or notice of any transfer of ownership of any Unit or Units.

Section 5.08. Advances and Reimbursements.

All expenses of the Partnership shall be billed directly to and paid by the Partnership. The General Partner shall be entitled at all times, on demand, to reimbursement from the Partnership funds for:

(a) All organizational expenses actually incurred by the General Partner in connection with this offering up to a maximum of Sixty Thousand Dollars (\$60,000.00);

(b) Actual costs incurred by the General Partner for the purchase of goods, materials and property used for or by the Partnership; and

(c) All funds advanced for the Partnership's benefit pending the receipt of capital contributions from the Limited Partners. Expenses incurred by the General Partner or any affiliate in connection with its administration of the program, including but not limited to, salaries, rents, travel expenses, and other items connected directly with the Limited Partnership program shall be charged to the Limited Partnership.

Reimbursements to the General Partner shall have priority over cash distributions to the Partners.

ARTICLE 6  
POWERS, DUTIES AND OBLIGATIONS OF THE GENERAL PARTNER

Section 6.01. Authority.

The General Partner shall have the sole and complete charge of the management, conduct and operation of the Partnership in all respects, with all rights and powers which are generally conferred by law or are necessary or appropriate for its management of the Partnership's business. Except as otherwise herein provided, the General Partner shall have authority to act on behalf of and bind the Partnership in all matters respecting the Partnership, its business and its property.

Section 6.02. Duties and Compensation.

The General Partner shall not be required to devote full time to the affairs of the Limited Partnership, but shall devote whatever time, effort and skill as may be necessary for the efficient and successful conduct of the Partnership's business.

Section 6.03. Management Contract.

Anything contained herein to the contrary notwithstanding, the General Partner may manage the Partnership Business, or it may employ on

behalf of the Partnership such persons, firms or corporations (which may be affiliated with the General Partner) as in its sole discretion and judgment it shall deem advisable for the proper operation of the business of the Partnership; provided, however, that all such contracts of employment shall be in writing, shall be subject to modification by a vote of the majority of Limited Partners, shall precisely describe the services to be rendered to the Partnership and their compensation to be paid for such services.

It being understood by all Limited Partners that the General Partner, Big Turtle Mines, Incorporated, will use and employ its personnel, and if necessary, others, to conduct the programs of the Limited Partnership and, in addition to being reimbursed for all costs and expenses incurred in doing so, it will be compensated in a sum equal to fifteen percent (15%) of those costs and expenses incurred for conducting those management responsibilities.

#### Section 6.04. Independent Activities.

The General Partner, and each Limited Partner may, notwithstanding the existence of this Agreement, engage in whatever activities they choose, whether the same be competitive with the Partnership or to the Partners thereof and neither the Partnership nor the Partners thereof shall have any right in the income or profits derived from such activities. Neither this agreement nor any activity undertaken pursuant hereto shall prevent the General Partner from engaging in such activities or to require the General Partner to permit the Partnership or any Limited Partner to participate in any such activities, and as a material part of the consideration for the General Partner's execution hereof, and in acceptance of the subscription of Units, each Partner hereby waives, relinquishes and renounces any such right or claim to participation.

#### Section 6.05. Certain Restrictions.

The General Partners and its affiliates shall not receive any rebates, kick-backs or "give-ups" nor shall the General Partner or its affiliates participate in any reciprocal business arrangements to the disadvantage or detriment of the Limited Partnership, nor do any of the following:

- (a) Do any act in contravention of this Agreement.
- (b) Do any act which would make it impossible to carry on the ordinary business of the Partnership.
- (c) Confess a judgment against the Partnership.
- (d) Admit another person as a General Partner except as otherwise provided in this Agreement.
- (e) Admit a person as a Limited Partner except as otherwise provided in this Agreement.

(f) Continue the business of the Partnership after its removal, adjudication of bankruptcy, insolvency or dissolution.

(g) Pledge or encumber substantially all of the assets of the Partnership at one time or from time to time without the prior written consent of Partners holding more than fifty percent (50%) of the then outstanding Units unless in connection with the acquisition or improvement of the assets or the refinancing of any previous obligation.

(h) Commingle any funds of the Partnership with the funds of any other partnership, person, corporation or other entity.

(i) Borrow money from the Partnership either directly or through an affiliate.

Section 6.06. No Power to Assess Limited Partnership Interests.

The General Partner has no power to assess the Units of the Limited Partners. If at any time, or from time to time, additional funds are required for the operation of the Partnership Property, the General Partner shall attempt to borrow sufficient funds to defray such obligations of the Partnership in accordance with Section 10.02 hereof.

Section 6.07. Purchase and Resale of Units by the General Partner.

The General Partner may purchase Limited Partnership Units in the Partnership on its own behalf pursuant to the original offering, or directly from any Limited Partner in accordance with Section 8.02 hereof, provided, however, that the General Partner may not purchase additional Limited Partnership Units on its own behalf if such purchase will result in the General Partner's owning more than twenty-five percent (25%) of the total Partnership Units. Any such Limited Partnership Units owned by the General Partner may not be resold by the General Partner without first offering the same to any other Partners, but such transfer shall be subject to the restrictions applicable to the transfers of Units by Limited Partners set forth in Article 8 hereof.

Section 6.08. Liability.

The General Partner shall in no event be liable to the Limited Partners for any act or omission performed or omitted to be performed by it if, in good faith, the General Partner determines that such course of conduct was in the best interest of the Partnership and was pursuant to authority granted to it by this Agreement and such course of conduct does not constitute any fraud or any gross negligence or gross misconduct on its part.

Section 6.09. Fiduciary Duty.

The General Partner shall have fiduciary responsibility for the safekeeping and use of all funds and assets of the Partnership, whether or not in his immediate possession and control, and it shall not employ, or permit another to employ, such funds or assets in any manner except for the exclusive benefit of the program.

ARTICLE 7  
RIGHTS, DUTIES AND POWERS OF LIMITED PARTNERS

Section 7.01. Powers of Limited Partners.

The Limited Partners shall take no part in the conduct or control of the Partnership business or the sale, leasing or refinancing of its assets and shall have no right or authority to act for the Limited Partnership, provided, however, except as otherwise provided herein, the vote or written approval of Partners owning more than fifty percent (50%) of the then outstanding Units is necessary to effectuate:

- (a) The dissolution of the Partnership;
- (b) Amendment of the Partnership Agreement except for the substitution of Limited Partners;
- (c) The sale of all or substantially all of the Partnership assets;
- (d) The pledge or encumbrance of all or substantially all of the assets of the Partnership unless in connection with the acquisition or improvement of the assets or the refinancing of any previous obligation; and
- (e) The removal of the General Partner and election of a new General Partner in accordance with Sections 7.03 and 7.04 hereof.

Section 7.02. Right to Call Meeting.

Limited Partners holding more than ten percent (10%) of the then outstanding Limited Partnership Units may call a meeting of the Partnership to consider any matter for which the Partners may vote as set forth in Section 7.01 above. The demand for such meeting shall be served on the General Partner by a written statement with the acknowledged signatures of the Limited Partners thereon dated within thirty (30) days of such demand stating the purpose of the meeting. Such demand shall be delivered to the General Partner either in person or by registered mail. Upon receipt of such demand, the General Partner shall provide all Partners, within ten (10) days after receipt of said request, written notice (either in person or by registered mail) of a meeting and the purpose of said meeting to be held on the date not less than fifteen (15) nor more than sixty (60) days after the receipt of such request, at a time and place convenient to the participants.

Section 7.03. Removal of the General Partner.

Limited Partners holding more than fifty percent (50%) of the then outstanding Units, may, either by written notice or by vote at a meeting of the Partnership, cause the removal of the General Partner. Subject to the provisions of Section 12.01(g) hereof, such removal shall dissolve the Partnership unless Limited Partners holding more than fifty percent (50%) of the then outstanding Limited Partnership interests agree not to dissolve the Partnership and elect a new General Partner in accordance with Sections 7.04 and 7.05 hereof.

Section 7.04. Election of New General Partner.

The removal of the General Partner and the election of a new General Partner (if any) shall be conducted as follows:

(a) Such removal shall be served on the General Partner by a written statement with the acknowledged signatures of the Limited Partners thereon dated within thirty (30) days of the date of presentation thereof to the General Partner. This statement shall clearly specify that the signators are requesting the removal of the General Partner, and if a new General Partner is to be appointed, the name(s) and address(es) of the General Partner(s) to be substituted.

(b) Upon receipt of notice of removal, (and upon satisfaction of all conditions specified in Section 7.05 if a substitution is being effected), the party theretofore serving as General Partner shall cease to be a General Partner and shall cause an accounting to be prepared at the expense of the Partnership covering the transactions of the Partnership since the end of the preceding fiscal year and thereafter, it shall not sell or dispose of any Partnership assets unless such sale or disposition was subject to a contract entered into and binding on the Partnership prior to the date of receipt of notice of removal of the General Partner.

Section 7.05. Conditions to Election of New General Partner.

Satisfaction of all of the following conditions shall be a condition precedent to the effective election of a new General Partner:

(a) The new General Partner shall agree in writing to be bound by the provisions of this Agreement.

(b) The new General Partner shall agree to assume the obligations of the General Partner hereunder accruing after its appointment.

(c) The Partnership shall have repaid to the removed General Partner, in cash, the amount of any loans due it from the Partnership.

(d) The Agreement and Certificate of Limited Partnership have been duly amended to reflect the removal of the removed General Partner.

ARTICLE 8  
TRANSFER OF PARTNERSHIP INTEREST

Section 8.01. Transfer of Limited Partnership Interest.

No Limited Partner shall assign, sell or otherwise dispose of, and no Limited Partner shall have the right to substitute an assignee in his place except as permitted in Section 6.07, Articles 8 and 11 hereof, and any act in violation of Section 6.07 and Articles 8 and 11 shall be null and void.

(a) Transfers of Partial Interests. Fractionalization of Units is prohibited.

(b) Permitted Assignments. A Limited Partner may assign his Limited Partnership Units to any assignee and such assignment shall be effective as of the last day of the month in which a written notice of such assignment is received by the General Partner; provided, however, that such assignee shall not become a substituted Limited Partner in this Limited Partnership unless the General Partner consents in writing to said substitution and unless such assignee complies with all the terms and conditions provided for in Section 8.02(c) below and any other terms or conditions which the General Partner deems desirable or convenient. In this connection, the granting or withholding of consent to substitution shall be at the sole discretion of the General Partner even if the proposed assignee meets the requirements of subparagraph (c) of this Section 8.02. The decision of the General Partner in this regard shall be final and conclusive.

(c) Substituted Limited Partners. An outside purchaser or transferee shall not be admitted as a substituted Limited Partner except upon satisfaction of the following conditions:

(1) Delivery to the General Partner of satisfactory evidence that the proposed transferee qualifies under the requirements of investor qualifications delivered concurrently here with or will succeed to all of the assets of the assigning Limited Partner;

(2) The assignment instrument being in form and substance satisfactory to the General Partner;

(3) The assignee or assignees named therein executing and acknowledging such other instrument or instruments that the General Partner may deem necessary or desirable to effectuate such admission;

(4) The written acceptance and adoption by the assignee or assignees of all the terms and provisions of this Agreement, as the same may have been amended;

(5) Such assignee paying or obligating himself to pay, as the General Partner may determine, all reasonable expenses connected with such admission, including, but not limited to, legal fees and costs (which costs may include, for example, the cost for filing and publishing any amendment to the Certificate of Limited Partnership.

Section 8.02. Consent of Limited Partners Not Required.

No consent of any of the Limited Partners is required to effect the substitution of a Limited Partner, except a Limited Partner who assigns his interest must evidence his intention that his assignee be admitted as a substituted Limited Partner in his place and execute any instruments required in connection therewith.

Section 8.03. Limitation on Certain Transfers.

Anything contained herein to the contrary notwithstanding, no Limited Partner shall be entitled to sell, assign, transfer or convey his interest in the Partnership if, in the opinion of the General Partner or its accountants, such sale, assignment, or transfer would result in the termination of the Partnership for tax purposes under Internal Revenue Code Section 708(b)(1)(B) and applicable Treasury Regulations. Any attempted sale, assignment or transfer in violation of this Section 8.03 shall be void "ab initio."

Section 8.04. Admission of Substituted Limited Partners and Recognition of Assignees.

The General Partner shall cause the Certificate of Limited Partnership to be amended each quarter in which a person has been admitted to the Partnership as a substituted Limited Partner. In the case of an assignment where the assignee does not become a substituted Limited Partner, the Partnership shall recognize the assignment not later than the first day of the calendar month following the receipt of notice of assignment and all other documentation required hereunder.

ARTICLE 9  
RECORDS, BOOKS, REPORTS AND BANKING

Section 9.01. Books of Account and Maintenance of Records.

The General Partner shall keep on a cash basis, adequate books of account of the Partnership wherein shall be recorded and reflected all contributions to capital of the Partnership and all of the expenses and transactions of the Partnership. In addition, the General Partner shall maintain a list of the names and addresses of all Limited Partners as a part

of the Partnership records. Also, the General Partner shall maintain for a period of at least four (4) years any Subscription Agreements or other documents executed by the Limited Partners reflecting the suitability of the Limited Partners as investors in the Partnership. Such books of account and the other records of the Partnership shall be kept at the principal place of business of the Partnership and each Limited Partner and his authorized representative shall have at all times, during reasonable business hours, free access to and the right to inspect and copy such records and books of account.

Section 9.02. Fiscal Year.

The tax accounting period and fiscal year for the Partnership shall be as determined by the General Partner.

Section 9.03. Reports to Limited Partners.

The General Partner shall cause to be prepared and distributed to the Limited Partners during each year the following:

(a) A semi-annual report containing the following information:

(1) A balance sheet of the Partnership which may be unaudited;

(2) A statement of income/loss for the six (6) month period then ended which may be unaudited;

(3) A cash flow statement for the six (6) month period then ended which may be unaudited; and

(4) Other pertinent information regarding the program and its activities during the preceding six (6) month period.

Said report shall be delivered to each Limited Partner within sixty (60) days after the end of the program's six month period.

(b) All information necessary for the preparation of Limited Partners' federal income tax returns. Such information shall be delivered within seventy-five (75) days after the end of the Partnership's fiscal year.

(c) An Annual Report containing the following information:

(1) A balance sheet as of the end of the fiscal year and statements of income, Partners' equity, and changes in financial position and a cash flow statement, for the year then ended, all of which, except the cash flow statement, shall be prepared in accordance with generally accepted accounting principles

and accompanied by an auditor's report containing an unqualified opinion of an independent certified accountant or public accountant.

(2) A report of the activities of the program during the period covered by the report.

Said annual reports shall be delivered to each Partner within one hundred twenty (120) days after the end of the program's fiscal year.

#### Section 9.04. Bank Account.

The Partnership funds shall be deposited in the name of the Partnership in one or more banks to be designated by the General Partner. All withdrawals therefrom are to be made upon check signed by the General Partner or by any person authorized to do so by the General Partner.

#### Section 9.05. Income Tax Returns.

The General Partner shall cause federal and state income tax returns for the Partnership to be prepared and filed with the appropriate authorities.

### ARTICLE 10 LOANS AND ADVANCES

#### Section 10.01. Advances by General Partner.

The General Partner may, but is under no obligation to, advance any monies to the Partnership required to pay any costs or expenses of the Partnership which are not initially funded from its gross income or the original capital contributions of the Partners.

The aggregate amount of such advances used to meet the expenses of the Partnership shall become an obligation of the Partnership to such General Partner, and shall be repaid to such General Partner out of the capital contributions of Limited Partners to the Partnership or out of cash flow of the Partnership at such time as sufficient cash flow has been derived from additional capital contributions of Limited Partners or from operation of the Partnership to permit such repayment without impairing the solvency of the Partnership; or upon termination and dissolution of the Partnership. Such advances shall be deemed a loan by such General Partner to the Partnership and shall not be deemed a capital contribution. Such loans shall be made at competitive rates and the General Partner may not receive interest and other financing charges in excess of the amounts which would be charged by unrelated banks on comparable loans for the same purpose in the locality of the Partnership Property; provided, however, that in no event shall the General Partner charge interest at a rate in excess of the maximum permissible legal rate.

Section 10.02. Partnership Borrowing.

The General Partner is authorized to borrow from any source or combination of sources such funds as are necessary to meet Partnership obligations which are not covered by the income from the property or by the initial cash contributions of the Partners. The repayment of any such loans shall have priority over any distribution to the General or Limited Partners provided for herein. Subject to the provisions of Sections 6.05 and 7.01 hereof, the General Partner shall have the power to mortgage or subject to any other security device any portion of the property of the Partnership.

ARTICLE 11  
DEATH, INCOMPETENCY OR DISSOLUTION OF A LIMITED PARTNER

Section 11.01. Individual Limited Partners.

Upon the death, insolvency, bankruptcy or legal incompetency of an individual Limited Partner, his personal representative shall have all right of the Limited Partner for the purpose of settling or managing his estate, and powers as the decedent or incompetent possessed to constitute a successor as assignee of its interest in the Partnership and to join with such assignee in making application to substitute such assignee as a Limited Partner.

Section 11.02. Non-Individual Limited Partners.

Upon the bankruptcy, insolvency, dissolution or other cessation to exist as a legal entity of a Limited Partner which is not an individual, the authorized representative of such entity shall have all of the rights of a Limited Partner for the purposes of effecting the orderly winding up and disposition of the business of such entity and such power as such entity possessed to constitute a successor as an assignee of his interest in the Partnership and to join with such assignee in making application to substitute such assignee as a Limited Partner.

ARTICLE 12  
DISSOLUTION, TERMINATION AND DISTRIBUTION

Section 12.01. Dissolution.

The Partnership shall be dissolved upon the first to occur of any of the following events:

(a) Expiration of the term specified in Article 2 hereof.

(b) Thirty (30) days after the dissolution, adjudication of bankruptcy or insolvency of the General Partner unless within such thirty (30) day period all of the remaining Partners elect not to dissolve the Partnership and the business of the Partnership is continued by a new General Partner elected in accordance with Sections 7.04 through 7.06 hereof.

(c) The written decision of Limited Partners holding a Partnership Percentage of at least fifty percent (50%) to dissolve the Partnership.

(d) Thirty (30) days after the removal of the General Partner in accordance with Section 7.03 hereof, unless within such thirty (30) day period Limited Partners holding at least fifty percent (50%) of the then outstanding Limited Partnership interests agree not to dissolve the Partnership and elect a new General Partner in accordance with Sections 7.04 and 7.05 hereof.

#### Section 12.02. Winding Up.

Upon dissolution of the Partnership, the General Partner shall wind up the affairs and liquidate the assets of the Partnership. The Partners shall continue to share in income and losses of the Partnership in the same ratio as profits and losses were divided prior thereto. The proceeds from liquidation of the Partnership assets shall be divided in the following order:

(a) First, the expenses of liquidation and the debts of the Partnership, other than any debts owing to the Partners, shall be paid. As part of the expenses, the General Partner shall be paid a sum equivalent to twenty percent (20%) of any net profit earned upon liquidation of the assets of the Partnership as compensation for the sales activities and management effort required;

(b) Second, all the Partnership's debts and liabilities to the Partners shall be paid and discharged; and

(c) Third, the balance of the assets shall be distributed to the Limited Partners in the same proportions that they share profits and losses of the Partnership under Section 5.02 hereof; provided, however, if the funds derived from liquidation proceedings exceed the then adjusted aggregate capital contribution of the Partners, such proceeds shall be distributed in accordance with Section 5.06(b) hereof.

A Limited Partner shall have no right to demand or receive property other than cash in return for his contribution to the Partnership, and each Limited Partner shall look solely to the assets of the Partnership for the return of his contribution and if the Partnership Property remaining after discharge of the debts and liabilities of the Partnership is insufficient to return the contribution of each Limited Partner, such Limited Partners shall have no recourse against the General Partner or any other Limited Partner. The face amount of any promissory notes or other evidences of indebtedness of the purchaser of the Property shall be treated as cash for the purpose of determining net proceeds from sale and any distributions may include notes or other property, provided that all distributions of non-cash items are on a pro rata basis. The winding up of the affairs of the Partnership and the distribution of its assets shall be conducted exclusively by the General Partner, who is hereby authorized to do any and all acts and things authorized by law for these purposes.

ARTICLE 13  
NOTICES

All notices provided for in this Agreement shall be directed to the Partners at the addresses set forth in this Agreement or at such other places that the Partnership shall be so notified in writing by the Partners' registered or certified mail. Service shall be deemed effective three (3) business days after mailing.

ARTICLE 14  
ASSUMPTION

At the election of one or more of the Limited Partners and upon the approval of the General Partner, such electing Limited Partners may assume personal liability for any Partnership debt. The General Partner may not force the Limited Partners to make such election and such assumption shall only apply to those Limited Partners to utilize debt as a part of basis for tax purposes under applicable provisions of the Internal Revenue Code and may not be relied upon by creditors of the Partnership unless such liabilities are expressly assumed.

ARTICLE 15  
POWER OF ATTORNEY

The undersigned Limited Partners hereby constitute and appoint the General Partner, with full power of substitution, their true and lawful attorney for them, in their place and stead, for their use and benefit to:

(a) Sign, file and record the Certificate of Limited Partnership and to sign, execute, certify and acknowledge, file, and record any other instruments which may be required of the Partnership or of the Limited Partners by law in Idaho or any other jurisdiction;

(b) Sign, file and record any amendment to the Certificate of Limited Partnership or any other document which may be required to effect the continuation of the Partnership, the admission of any substituted Limited Partner or the dissolution and termination of the Partnership, provided, such termination, continuation, dissolution or admission is in accordance with the terms of the Partnership Agreement; and

(c) Sign, file and record any and all required amendments to the foregoing instruments, provided, the same are consistent with the Partnership Agreement.

The foregoing grant of authority is hereby declared to be irrevocable and a power coupled with an interest and shall survive the death of the undersigned Limited Partners. This power of attorney may be exercised by

the General Partner for each Limited Partner by a facsimile signature of an officer of the General Partner acting as Attorney-in-Fact for them all. In the event of any conflict between the provisions of this Agreement and any document executed or filed by the General Partner pursuant to the power of attorney granted to it in this Article 15, this Agreement shall govern.

ARTICLE 16  
AMENDMENTS TO CERTIFICATE OF LIMITED PARTNERSHIP

In accordance with Idaho Code, the writing to amend the Certificate of Limited Partnership of BIG TURTLE LIMITED PARTNERSHIP may be signed by the General Partner or by the member to be substituted or added in the case of an amendment substituting a Limited Partner, or adding a Limited Partner, or a General Partner, and shall be signed also by the assigning Limited Partner when a Limited Partner is to be substituted.

ARTICLE 17  
EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

ARTICLE 18  
CERTIFICATE OF OWNERSHIP

The General Partner may issue a Certificate of Ownership to any Limited Partner to evidence his ownership of Units in the Partnership in such form as the General Partner may determine.

ARTICLE 19  
MISCELLANEOUS

Section 20.01. Governing Law.

All questions with respect to the construction of this Agreement and the rights and liabilities of the parties shall be determined in accordance with the applicable provisions of the law of the State of Idaho.

Section 20.02. Binding on Successors.

Except as otherwise provided herein, this Agreement shall be binding upon parties hereto and their assigns, successors in interest, personal representatives, estates or legatees.

Section 20.03. Validity.

The invalidity of any portion of this Agreement shall not affect the validity of the remainder of this Agreement.

Section 20.04. Captions.

Any section or paragraph title or caption contained in this Agreement is for convenience only and shall not be deemed a part of this Agreement.

Section 20.05. Entire Agreement.

This Agreement contains the entire understanding between the General and Limited Partners and supersedes any prior written or oral agreements between them respecting the within subject matter.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

GENERAL PARTNER:

BIG TURTLE MINES, INCORPORATED  
(An Idaho Corporation)

By Wayne Eskridge  
Wayne Eskridge, President

By Gilbert Dean Eskridge  
Gilbert Dean Eskridge, Secretary

STATE OF IDAHO )  
                  ) ss.  
County of Ada )

On this 1st day of March, 1982, before me personally appeared ~~WAYNE ESKRIDGE~~ and GILBERT DEAN ESKRIDGE, to me known to be the President and Secretary, respectively, of BIG TURTLE MINES, INCORPORATED, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument ~~and that the seal affixed is the corporate seal of said corporation.~~

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

Randy Terrell  
Notary Public in and for the State of  
Idaho, residing at  
My Commission Expires: 1-7-86

STATE OF Idaho )  
County of Ada ) :ss

I, the undersigned, a Notary Public, in and for said County and State, hereby certify that on this 16<sup>th</sup> day of March, 1982 personally appeared before me Wayne Eskridge ~~and~~ \_\_\_\_\_ known to me to be the individual described in and who executed the foregoing instrument.

GIVEN under my hand and official seal the day and date above written.

Norma J. Hunt  
NOTARY PUBLIC in and for said County and  
State residing at Boise, Idaho