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August 24, 2015

Ms. Lisa Sumption
Director
Oregon Parks and Recreation Department
725 Summer Street N.E., Suite C
Salem, OR 97301-1266

Re: Bandon Biota, LLC

Dear Director Sumption:

I respond on behalf of Bandon Biota to your letter to me of August 6, 2015.

Bandon Biota intends to have its portion of the BLM application materials to your Department in September.

Bandon Biota, through a local contractor, did enter upon the Bandon Parcel in May and June, 2014, in performance of its due diligence to conduct water well testing. Under Section 7 of the Exchange Agreement, State Parks gave Bandon Biota the right to conduct water well testings, golf course layout, environmental testings, soil suitability testings, and wildlife habitat testings. Testings are necessary in order to establish project feasibility, and an important preliminary step in preparing, submitting, and gaining county, state, and federal approval for the project. Notice to State Parks for entry and testing is not required by the Exchange Agreement. The words "non-intrusive testings" were not meant to mean Bandon Biota could not do the testings set forth in the same sentence, but to remind State Parks and Bandon Biota that the testings should occur in a reasonable fashion without undue disturbance of the terrain.

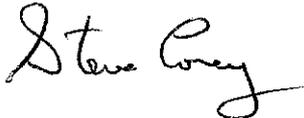
You inquired on August 18, 2015, whether the parties should add an addendum to the Exchange Agreement to address the issues

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State Parks would like to add to the agreement, such that preliminary to the testings State Parks has an opportunity itself to look at the areas where the testings will occur and comment to Bandon Biota on the natural and cultural resources, if any, that may require protection. You also asked whether Bandon Biota would join State Parks in each naming a local point of contact, to enhance communication. Bandon Biota is more than willing to enter into additional discussions with State Parks to address these present issues of State Parks that were not incorporated into the original Exchange Agreement.

Assuming State Parks desires to further address these issues, please have Steve Shipsey, your attorney, telephone me and we promptly will arrange a mutually convenient time to get together.

Sincerely yours,

A handwritten signature in cursive script that reads "Steve Corey". The signature is written in black ink and is positioned above the printed name.

Steven H. Corey

SHC:m
cc: Mr. Steve Shipsey