

RELEASE AGREEMENT

This RELEASE AGREEMENT (this "Agreement") is entered into and effective as of January 22, 2013 (the "Effective Date") by and between Del Mar Offshore Fund Ltd. ("Offshore"), Del Mar Onshore Partners, L.P. ("Onshore") and Madison Management, LLC ("Madison", and collectively with Offshore and Onshore, the "Creditor Parties"), on the one hand, and Tacoa Minerals, LLC ("Tacoa") and New Century Mining, Inc. ("New Century", and together with Tacoa, the "Obligors"), on the other hand.

WITNESSETH

WHEREAS, Tacoa, as Borrower, New Century, as Guarantor, Onshore and Offshore, each as a Lender, and Madison, as Collateral Agent and Administrative Agent, entered into that certain Term Loan and Security Agreement dated as of February 20, 2007, as amended and modified to date (collectively, the "Loan Agreement"), providing, subject to the terms and conditions thereof, for a loan or other extension of credit to be made by the Lender to Tacoa in the principal sum of up to \$[50,598,122], as evidenced by one or more promissory notes (such promissory notes, together with the Loan Agreement and all amendments and modifications thereto, and such other documents and instruments executed in connection therewith (including forbearance agreements) to date, the "Loan Documents");

WHEREAS, in connection with the execution and delivery of the Loan Documents, Tacoa has executed in favor of Madison, Onshore and Offshore that certain Future Advance Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement dated February 20, 2007 (the "Original Mortgage") and recorded on February 22, 2007 in the office of the Shelby County, Alabama, Judge of Probate as Instrument No. 20070222000082470 and recorded on January 20, 2009 in the office of the Bibb County, Alabama, Judge of Probate in RPB Book 226 Page 41, which Original Mortgage was corrected by Scrivener's Affidavit as recorded in Instrument No. 20080212000060740, and which was modified by Modification No. 1 dated February 12, 2008 ("Modification No. 1") recorded on August 6, 2008 in the office of the Shelby County, Alabama, Judge of Probate as Instrument No. 20080806000316380 and recorded on January 20, 2009 in the office of the Bibb County, Alabama, Judge of Probate in RPB Book 226 Page 68, and which was further modified by Modification No. 2 dated October 7, 2008 ("Modification No. 2") recorded in the office of the Shelby County, Alabama, Judge of Probate on January 20, 2009 as Instrument No. 20090120000016620 and recorded on January 20, 2009 in the office of the Bibb County, Alabama, Judge of Probate in RPB Book 226 Page 76 (collectively, the "Mortgage"), which Mortgage secured the Secured Parties interest in the collateral as set forth therein (the "Mortgage and Security Collateral");

WHEREAS, Tacoa is the holder of certain royalty rights and security interests pursuant to the terms of that certain Royalty Rights Agreement, dated as of October 25, 2005, by and between Kodiak Mining Company, LLC and Tacoa (as amended and modified to date, the "Royalty Agreement"), and, concurrently with the execution of the Loan Agreement, Tacoa, Madison and Onshore entered into that certain Collateral Assignment of Royalty Agreement, dated as of February 20, 2007, which was amended and restated by that certain Amended and Restated Collateral Assignment of Royalty Agreement, dated as of February 12, 2008, by and among Tacoa and the Creditor Parties (the "Collateral Assignment"), pursuant to which Tacoa

collaterally assigned to Creditor Parties a continuing security interest in and general lien upon the Royalty Collateral, as such term is defined in the Collateral Assignment (hereinafter, the "Royalty Collateral"); and

WHEREAS, in connection with the execution of that certain Purchase, Sale and Contribution Agreement by and among Onshore, DMCA I, LLC, DMCA II, LLC, Tacoa and Piney Woods Resources, Inc., dated on or about the Effective Date, and those other agreements, documents and instruments executed in connection therewith (collectively, the "Purchase Agreement"), the Creditors, subject to the terms and conditions set forth in the Purchase Agreement, and in accordance with the terms and conditions hereof, have agreed to terminate their rights in the Mortgage and Security Collateral and Royalty Collateral (collectively, the "Collateral"), it being understood that the Loan Documents shall otherwise remain in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

Section 1. Preambles. The parties hereto agree that the foregoing preambles to this Assignment are true and correct and are incorporated by reference herein as if fully set forth below.

Section 2. Termination and Release of Collateral.

(a) *Termination of Mortgage; Release of Mortgage and Security Collateral.* Creditor Parties hereby agree to the immediate termination of the Mortgage and acknowledge that, upon the execution of this Agreement and such other documents as may be reasonably requested by the Obligors, such parties' right, title and interest in, to and under the Mortgage and Security Collateral is terminated, released and no longer in force or effect. Creditor Parties further consent and agree to the filing of such documents and instruments, including the mortgage releases and UCC-3 termination statements in substantially the forms attached as exhibits hereto, necessary to evidence the termination of their interest in the public records.

(b) *Termination of Collateral Assignment; Release of Royalty Collateral.* Creditor Parties hereby agree to the immediate termination of the Collateral Assignment and acknowledge that, upon the execution of this Agreement and such other documents as may be reasonably requested by the Obligors, such parties' right, title and interest in, to and under the Royalty Collateral is hereby terminated, released and no longer in force or effect. Creditor Parties further consent and agree to the filing of such documents and instruments, including UCC-3 termination statements necessary to evidence the termination of their interest in the public records.

Section 3. Continuation of Loan and Loan Obligations. Notwithstanding the release of Collateral as set forth herein, indebtedness evidenced and secured by the Mortgage (the "Indebtedness") has not been satisfied, and each and every obligation under the Loan Documents regarding the payment of obligations thereunder shall remain in full force and effect, and nothing in this Agreement shall act to terminate the Loan Documents. The Secured Parties reserve all

rights and remedies available to them by contract and law to pursue payment of the Indebtedness from any and all parties liable for the Indebtedness. The Secured Parties are entering into this agreement to only to clear title to the property constituting the Collateral, and there is no intent to acknowleg full payment of the Indebtedness.

Section 4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Section 5. Entire Agreement. Except as provided herein and in the Purchase Agreement, this Agreement shall constitute the entire agreement between the parties with regard to the subject matter hereof and thereof. This Agreement supersedes all previous agreements between or among the parties with regard to the subject matter. There are no agreements, representations or warranties between or among the parties regarding such subject matter other than those set forth in this Agreement and the Purchase Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Release Agreement as of the Effective Date.

CREDITOR PARTIES:

DEL MAR ONSHORE PARTNERS, L.P.
By: Del Mar Services, LLC, its General Partner

By: David W. Frelove
Name: David W. Frelove
Title: Managing Member

DEL MAR OFFSHORE FUND, LTD.

By: David W. Frelove
Name: David W. Frelove
Its: Director

MADISON MANAGEMENT, LLC

By: Morris W. Macleod
Name: Morris W. Macleod
Its: Director

OBLIGORS:

TACOA MINERALS, LLC
By: DMCA II, LLC, its Manager

By: David W. Frelove
Name: David W. Frelove
Title: Managing Member

NEW CENTURY MINING, INC.

By: _____
Name: John McNab
Title: President

IN WITNESS WHEREOF, the parties have executed this Release Agreement as of the Effective Date.

CREDITOR PARTIES:

DEL MAR ONSHORE PARTNERS, L.P.
By: Del Mar Services, LLC, its General Partner

By: _____
Name: David W. Freelove
Title: Managing Member

DEL MAR OFFSHORE FUND, LTD.

By: _____
Name: _____
Its: _____

MADISON MANAGEMENT, LLC


By: _____
Name: _____
Its: _____

OBLIGORS:

TACOA MINERALS, LLC
By: DMCA II, LLC, its Manager

By: _____
Name: David W. Freelove
Title: Managing Member

NEW CENTURY MINING, INC.

By: 
Name: John McNab
Title: President

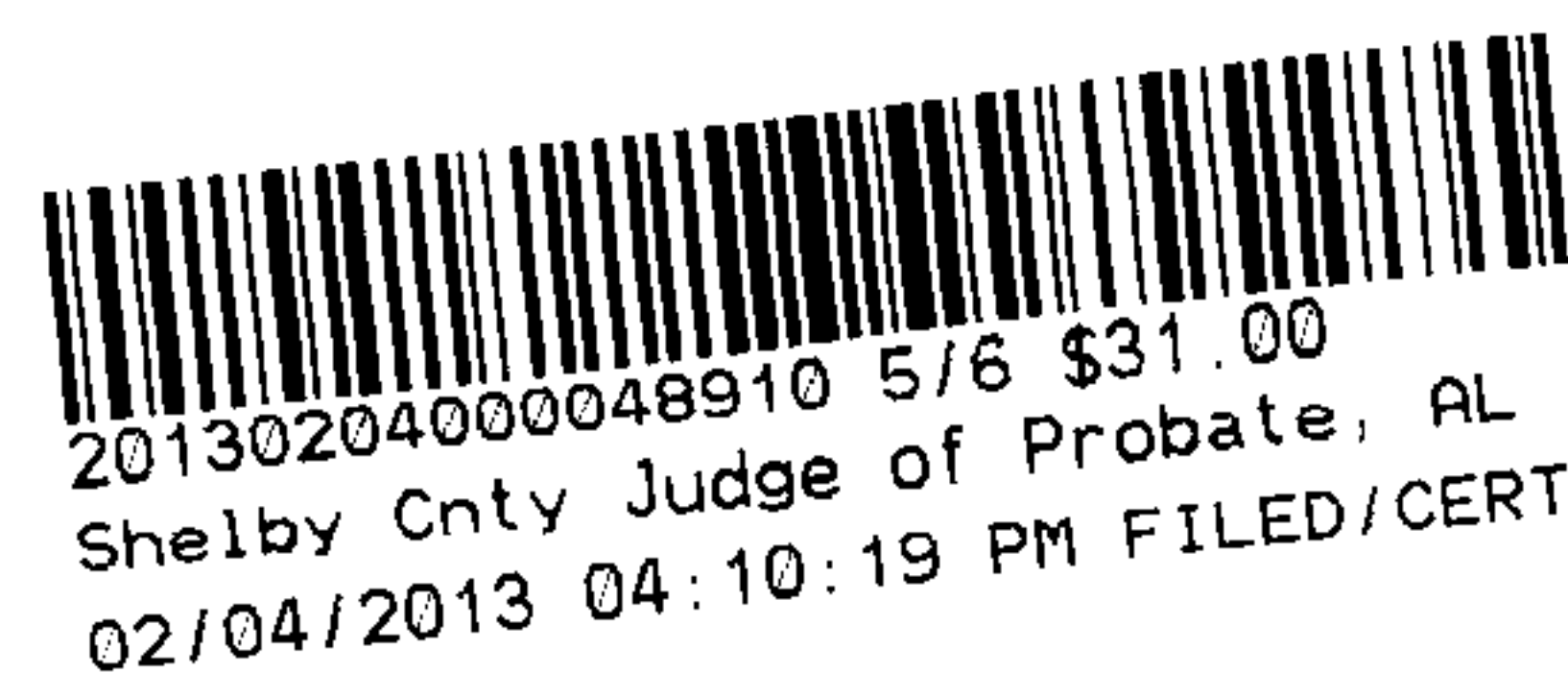


Exhibit A

Release of Mortgage (Shelby County)

[Attached]