

MEMORANDUM OF COAL MINING LEASE AGREEMENT

STATE OF ALABAMA)
) **KNOW ALL MEN BY THESE PRESENTS THAT:**
COUNTY OF SHELBY)
COUNTY OF BIBB)


THIS MEMORANDUM OF COAL MINING LEASE AGREEMENT ("Memorandum") is made and entered into this the 20th day of April, 2017, by and between **ALABAMA PROPERTY COMPANY**, an Alabama corporation, and **SOUTHERN ELECTRIC GENERATING COMPANY**, an Alabama corporation, whose address is 600 N. 18th Street, Birmingham, Alabama (hereinafter referred to collectively as "**Lessor**"), and **JESSE CREEK MINING, LLC**, a Delaware limited liability company, whose address is 1615 Kent Dairy Road, Alabaster, Alabama 35007-7658 (hereinafter referred to as "**Lessee**").

WITNESSETH:

WHEREAS, under the terms, conditions, covenants, and provisions set forth in that certain Coal Mining Lease Agreement dated and effective April 20, 2017 (the "**Effective Date**"), executed by and between Lessor and Lessee (the "**Lease**"), Lessor has leased exclusively to Lessee, to the extent of Lessor's right, title and interest therein and thereto, all rights, express and implied, whether contained in deeds of severance or otherwise existing by instrument or implied by law, which Lessor may have and lawfully grant in connection with the prospecting, mining, removing, processing, storage, sale and delivery of coal reserves from coal seams (the "**Coal**") of certain property in Shelby and Bibb Counties, Alabama, as described in **Annex "A"** attached hereto and made a part hereof (hereinafter "**Premises**") by any mining method, now existing or hereafter discovered or implemented. The Lease includes additional rights and obligations in and to the Premises, the terms of which are incorporated herein by reference.

TO HAVE AND TO HOLD, the Premises for a term of ten (10) years beginning on the Effective Date and for a secondary term of so long thereafter as (a) Coal is being mined, removed and sold from the Premises by or on behalf of Lessee, its successors or assigns, or (b) Minimum Royalty (as defined in the Lease) is paid; *provided however*, the term of the Lease shall not exceed thirty (30) years from the Effective Date. After the expiration or termination of the Lease for any reason Lessee shall have the right to enter upon and into the Premises and conduct any and all activities necessary, appropriate or convenient to reclaim or monitor the Premises, which right shall continue until all permit requirements have been satisfied, all reclamation and monitoring obligations completed and all applicable bonds released. Lessee shall have the right to remove from the Premises within one hundred eighty (180) days after said expiration or termination, all of Lessee's underground equipment, facilities, supplies and materials from the Premises, except those necessary, appropriate or convenient for reclamation. Said Lease and all of the terms, conditions, covenants and provisions thereof being by this

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State of Alabama
Deed Tax: \$2026.50


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reference incorporated herein and made a part hereof in all respects as though fully set forth herein and reference being hereby made to one (1) fully executed copy of the Lease in the possession of Lessor and Lessee for the full particulars thereof.

To the extent Annex "A" omits any property within the omitted tracts area depicted on Annex "B" (hereinafter "**Omitted Tracts Area**") in which Lessor now or hereafter owns or otherwise controls rights in and to coal and the mining thereof, the Parties agree to amend the Lease and this Memorandum to include such coal and rights within the definition of Premises.

It is not intended by this Memorandum to construe, define, limit or modify the Lease, but merely to disclose to the public the existence of the Lease.

This Memorandum may be executed in multiple counterparts, each of which shall be deemed to constitute a single agreement. For recording purposes, the executed counterparts shall be combined into a single instrument.

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

LESSOR:

ALABAMA PROPERTY COMPANY

By: Christopher R Blake

Name: Christopher R Blake

Title: Treasurer

SOUTHERN ELECTRIC GENERATING
COMPANY

By: Christopher R Blake

Name: Christopher R Blake

Title: Treasurer



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STATE OF Alabama)
COUNTY OF Jefferson)

Before me, the undersigned Notary Public in and for said County and State, on this 20th day of April, 2017, personally appeared Christopher R Blake, known to me to be the identical person who subscribed the name of Alabama Property Company to the foregoing instrument as TREASURER of Alabama Property Company, its authorized representative, and acknowledged to me that he/she executed the same as his/her free and voluntary act and as the free and voluntary act and deed of such company, for the uses and purposes therein set forth.

Given under my hand and seal this 20th day of April, 2017.


Chrystal Dawn Wright
Notary Public
My Commission Expires: 10/18/2017

STATE OF Alabama)
COUNTY OF Jefferson)

Before me, the undersigned Notary Public in and for said County and State, on this 20th day of April, 2017, personally appeared Christopher R Blake, known to me to be the identical person who subscribed the name of Southern Electric Generating Company to the foregoing instrument as TREASURER of Southern Electric Generating Company, its authorized representative, and acknowledged to me that he/she executed the same as his/her free and voluntary act and as the free and voluntary act and deed of such company, for the uses and purposes therein set forth.

Given under my hand and seal this 20th day of April, 2017.

Chrystal Dawn Wright
Notary Public
My Commission Expires: 10/18/2017


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LESSEE:

JESSE CREEK MINING, LLC

By: B. Scott Spears

Name: B. Scott Spears

Title: CEO


STATE OF ALABAMA)
COUNTY OF SHELBY)

Before me, the undersigned, a Notary Public in and for said County and State, on this 24 day of April, 2017, personally appeared B. Scott Spears, known to me to be the identical person who subscribed the name of Jesse Creek Mining, LLC to the foregoing instrument as its officer and acknowledged to me that he/she executed the same as his/her free and voluntary act and as the free and voluntary act and deed of such company for the uses and purposes therein set forth.

Given under my hand and seal this 24 day of April, 2017.

Elizabeth Sweetzer
Notary Public
My Commission Expires 4/4/2020


This instrument was prepared by Kevin M. Halter, Jackson Kelly PLLC, 221 N.W. Fifth Street, P.O. Box 1507, Evansville, Indiana 47706.


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**ANNEX A
TO COAL MINING LEASE AGREEMENT**

Township 21 South, Range 3 West, Shelby County

Section	Description
Section 17	The Southwest quarter The Southwest quarter of the Northeast quarter The Northeast quarter of the Southeast quarter, less one acre near the northwest corner now being used as a cemetery for the colored, and less 1.29 acres being that portion of the Kendrick-Holcomb Lot as described by deed recorded in the office of the Judge of Probate of Shelby County, Alabama, in Deed Book 139, at page 299 The Southwest quarter of the Southeast quarter, less .50 acre as described by deed recorded in such office in Deed Book 26 at page 394 The South half of the Northwest quarter The Northwest quarter of the Southeast quarter The Southeast quarter of the Southeast quarter The North half of the North half of the Northwest quarter of the Northeast quarter The North half of the Northwest quarter
Section 18	The entire section, except the North half of the Northwest quarter Northwest quarter of the Northwest quarter The Northeast quarter of the Northwest quarter
Section 19	The South half of the Northeast quarter The Southeast quarter The East half of the Southwest quarter The North half of the North half The South half of the Northwest quarter The West half of the Southwest quarter
Section 20	The Northeast quarter of the Northeast quarter The Northeast quarter of the Southeast quarter The West half The West half of the Northeast quarter The Southeast quarter of the Northeast quarter The West half of the Southeast quarter The Southeast quarter of the Southeast quarter
Section 21	That part of the Northwest quarter of the Northwest quarter lying west of the Montevallo-Bessemer Road, less lots described as follows: 1. William Monroe Booth Lot as described by deed recorded in such office


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in Deed Book 148 at page 178

2. Elige Boothe Lot as described by deed recorded in such office in Deed Book 163 at page 553

3. P. L. Isbell Lot as described by deed recorded in such office in Deed Book 173 at page 463

4. Church Lot described as follows: Begin at the intersection of the north line of Section 21, Township 21 South, Range 3 West, and the west boundary of the right of way of the Montevallo-Bessemer public road and run west along the north line of said Section 21 a distance of 300 feet; run thence south 100 feet; run thence east 320 feet to the west boundary of said road; run thence north along the west boundary of said road 100 feet to the point of beginning

That part of the Southwest quarter of the Northwest quarter lying west of the Montevallo-Bessemer Road and west of Lots 39, 40, and 41, as shown by G. F. Peter's Map of the Town of Maylene, drawn on November 13, 1946, and surveyed by I. S. Gillespie, and attached hereto as Exhibit A

The Northwest quarter of the Southwest quarter, less a portion of the Jacob Zeiderhook, P.C. Means, and Lon Nabors Lots, all in the northeast corner of said forty and described by deeds recorded in such office in Deed Book 25, page 270, Deed Book 62, page 339, and Deed Book 62, page 436, respectively

Section 29

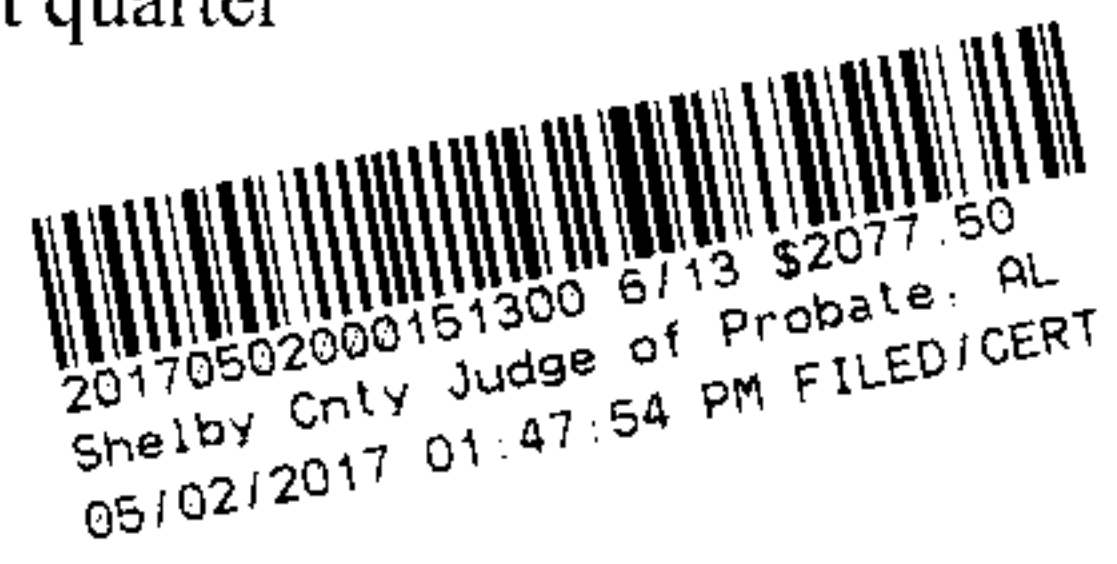
The Northeast quarter of the Southeast Quarter
The Northwest quarter of the Southwest Quarter
The Northeast quarter of the Southwest Quarter
The Southwest quarter of the Southwest Quarter
The North half of the North half
The Southeast quarter of the Northeast quarter
The South half of the Northwest quarter
The Southwest quarter of the Northeast quarter
The Northwest quarter of the Southeast quarter

Section 30

The North half of the Northeast quarter
The Southeast quarter
The East half of the Southwest quarter
The Southwest quarter of the Southwest quarter
The South half of the North half
The North half of the Northwest quarter
The Northwest quarter of the Southwest quarter

Section 31

The Northwest quarter



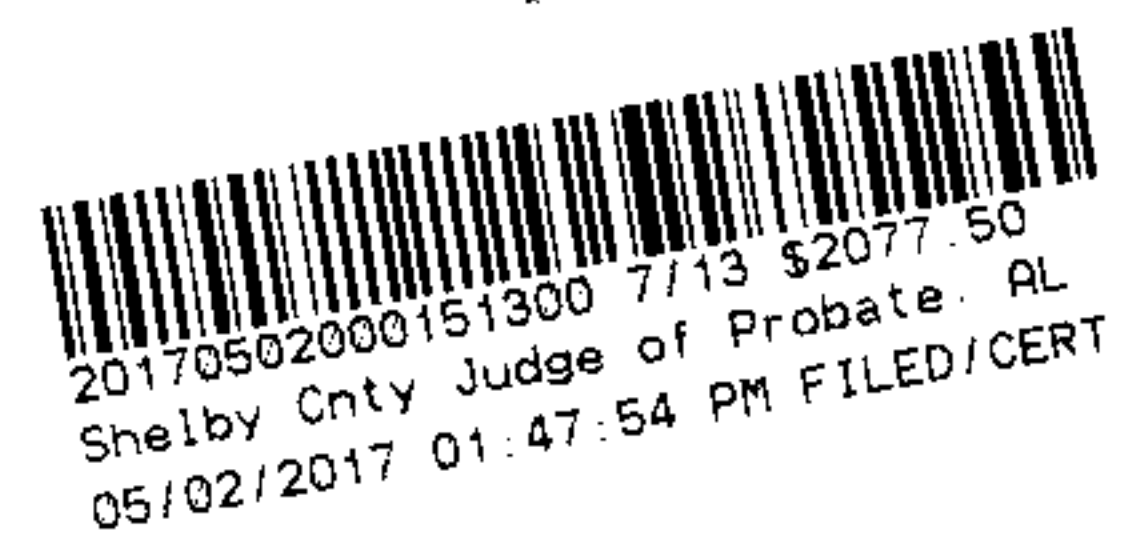
	The Northeast quarter
	The Southwest quarter
	The Northwest quarter of the Southeast quarter
Section 32	The Northwest quarter of the Northwest quarter
	The Northeast quarter of the Northwest quarter
	The Northwest quarter of the Northwest quarter

Township 22 South, Range 3 West, Shelby County

Section	Description
Section 6	The Southwest quarter
	The Northwest quarter of the Northwest quarter
	The Southwest quarter of the Northwest quarter
	The Southwest quarter of the Northeast quarter
	The Northwest quarter of the Southeast quarter
	The Southwest quarter of the Southeast quarter
	The West half of the Northeast quarter of the Southeast quarter
	The West half of the Southeast quarter of the Southeast quarter
Section 7	The Northwest quarter
	The Southwest quarter
	The Northwest quarter of the Northeast quarter
	The Southwest quarter of the Southeast quarter
Section 18	The West half of the Northwest quarter

Township 21 South, Range 4 West, Shelby County


Section	Description
Section 13	The Southeast quarter
	The Southwest quarter of the Northwest quarter
	The Southeast quarter of the Northwest quarter
	The Northeast quarter of the Southwest quarter
	The Northeast diagonal half of the Northwest quarter of the Southwest quarter
	The Northeast diagonal half of the Southeast quarter of the Southwest quarter
	The Northeast quarter of the Northeast quarter
	The East half of the East half of the Northwest quarter of the Northeast quarter
	The South half of the Northeast quarter
	The West half of the Northwest quarter of the Northeast quarter



	The West half of the East half of the Northwest quarter of the Northeast quarter
Section 24	The East half of the Southeast quarter
Section 25	The Northeast quarter The Southeast quarter The Southeast quarter of the Northwest quarter The Northeast quarter of the Southwest quarter The Southeast quarter of the Southwest quarter The East half of the Northwest quarter of the Southwest quarter The East half of the Southwest quarter of the Southwest quarter The Southeast diagonal half of the Northeast quarter of the Northwest quarter The Northwest diagonal half of the East half of the Southwest quarter of the Northwest quarter The Southeast diagonal half of the East half of the Southwest quarter of the Northwest quarter
Section 31	The Southeast quarter of the Northwest quarter The Northeast quarter of the Southwest quarter
Section 35	The Southeast quarter The Southeast quarter of the Southwest quarter The Southeast diagonal of the Northeast quarter of the Southwest quarter The Southeast diagonal of the Southwest quarter of the Southwest quarter The Southeast diagonal half of the South half of the Northeast quarter
Section 36	The Northeast quarter The Northwest quarter of the Northwest quarter The South half of the Northwest quarter The South half, except 4 acres in the Northeast corner of the Southeast quarter of the Southeast quarter The Northeast quarter of the Northwest quarter

Township 22 South, Range 4 West, Shelby County

Section	Description
Section 1	The Northeast quarter The North half of the Northwest quarter, except 4.8 acres in the Southeast corner of the Northeast quarter of the Northwest quarter The Southeast quarter The South half of the Southwest quarter The South half of the Northwest quarter The North half of the Southwest quarter


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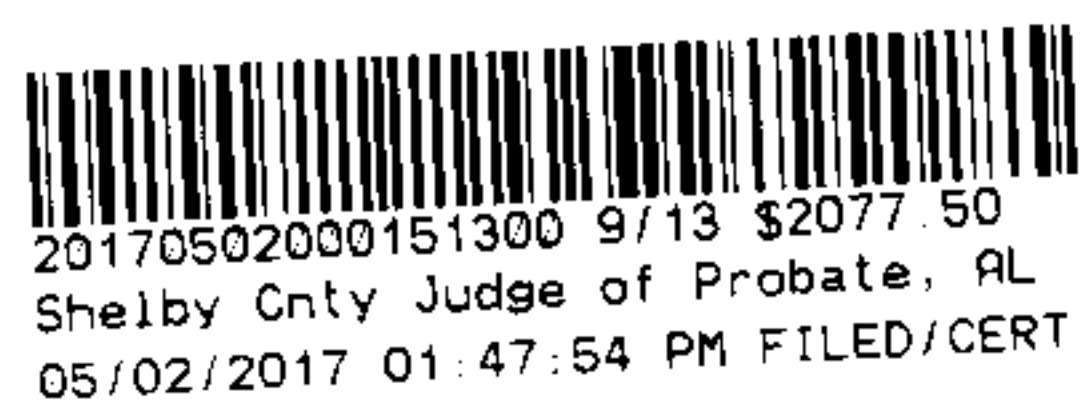
Section 2 The Northeast quarter of the Northeast quarter
 The South half of the Southeast quarter
 The Northwest quarter of the Southeast quarter
 The South half of the Southwest quarter
 The Northeast quarter of the Southwest quarter
 The Northwest quarter of the Northeast quarter
 The South half of the Northeast quarter
 That part of the Southeast quarter of the Northwest quarter lying South of
 Montevallo and Tuscaloosa dirt road
 The North half of the Northwest quarter
 The Southwest quarter of the Northwest quarter
 The Northeast quarter of the Southeast quarter
 The Northwest quarter of the Southwest quarter

Section 3 The Northwest quarter of the Northwest quarter
 The Northeast quarter of the Northwest quarter
 The Northwest quarter of the Northeast quarter
 The Northeast quarter of the Northeast quarter
 The Southeast quarter of the Northeast quarter
 The Northeast quarter of the Southeast quarter
 The Southeast quarter of the Southeast quarter
 The Southwest quarter of the Southeast quarter

Section 10 The East half of the Northeast quarter
 The West half of the Northeast quarter
 The Southeast quarter of the Northwest quarter
 The East half of the Southeast quarter

Section 11 The South half of the Northeast quarter
 The Northwest quarter of the Northeast quarter
 East half of the Northwest quarter
 The Northwest quarter of the Northwest quarter
 The East half of the Southwest quarter
 The North half of the Southeast quarter
 The Southeast quarter of the Southeast quarter
 The North half of the Southwest quarter of the Southeast quarter
 The Northeast quarter of the Northeast quarter
 The West half of the Southwest quarter
 The South half of the Southwest quarter of the Southeast quarter

Section 12 The Northwest quarter of the Northwest quarter
 The East half



The East half of the West half
The Northeast quarter of the Southwest quarter of the Northwest quarter
The Southeast quarter of the Northwest quarter of the Southwest quarter

Section 13 The Northeast quarter
 The East half of the Northwest quarter
 The East half of the Northwest quarter of the Northwest quarter
 The Southeast quarter of the Southwest quarter of the Northwest quarter

Section 14 The West half of the Northwest quarter
 The East half of the Northwest quarter
 The West half of the Northeast quarter

Section 15 The East half of the Northeast quarter

Township 21 South, Range 4 West, Bibb County

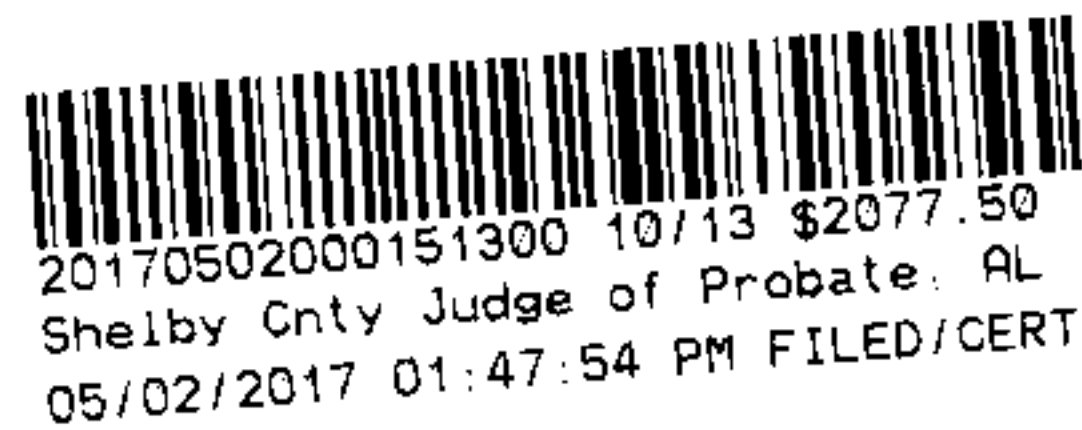
Section	Description
Section 31	The Southwest quarter of the Southwest quarter

Township 22 South, Range 4 West, Bibb County

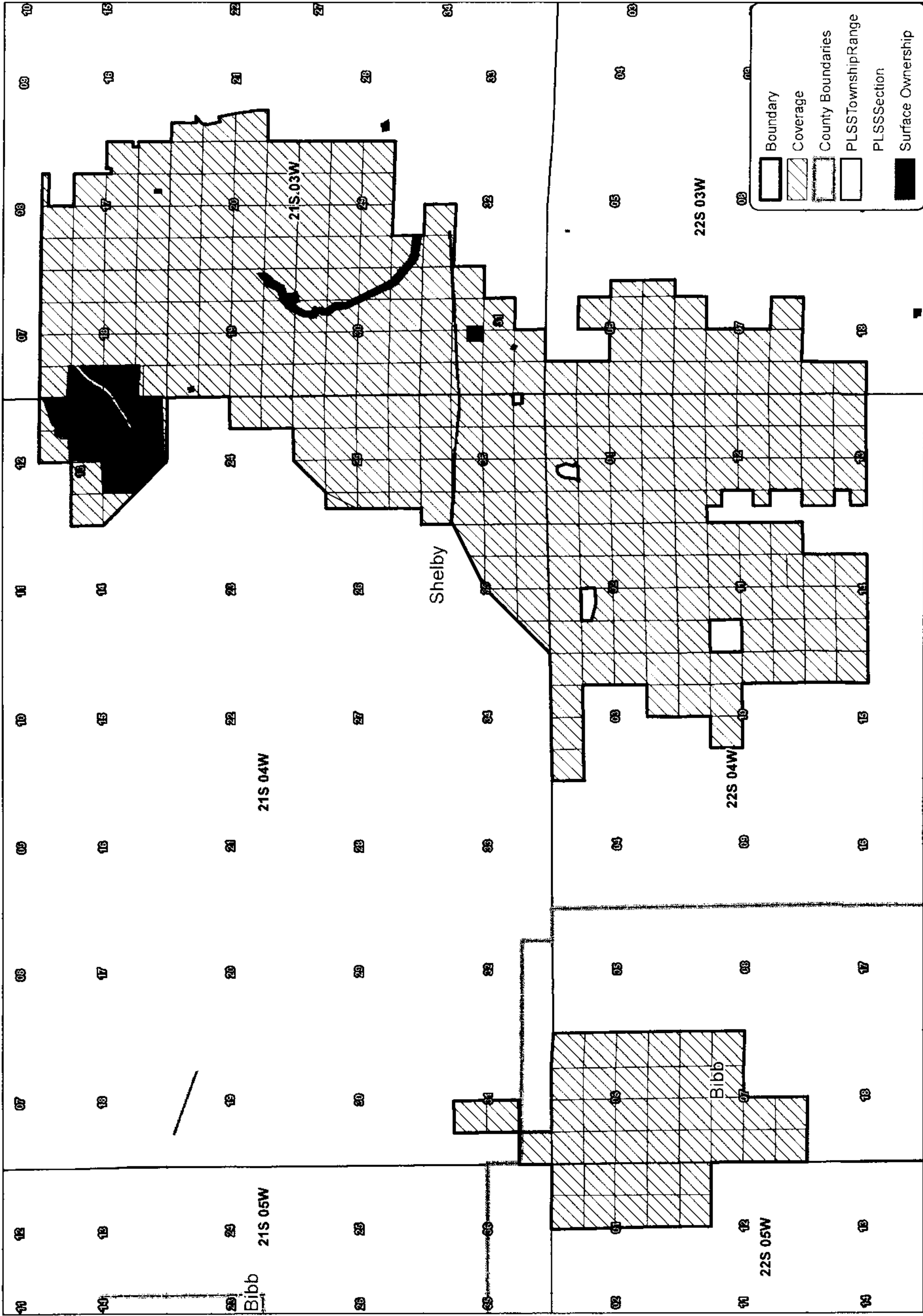
Section	Description
Section 6	The entire section
Section 7	The North half The Southwest quarter

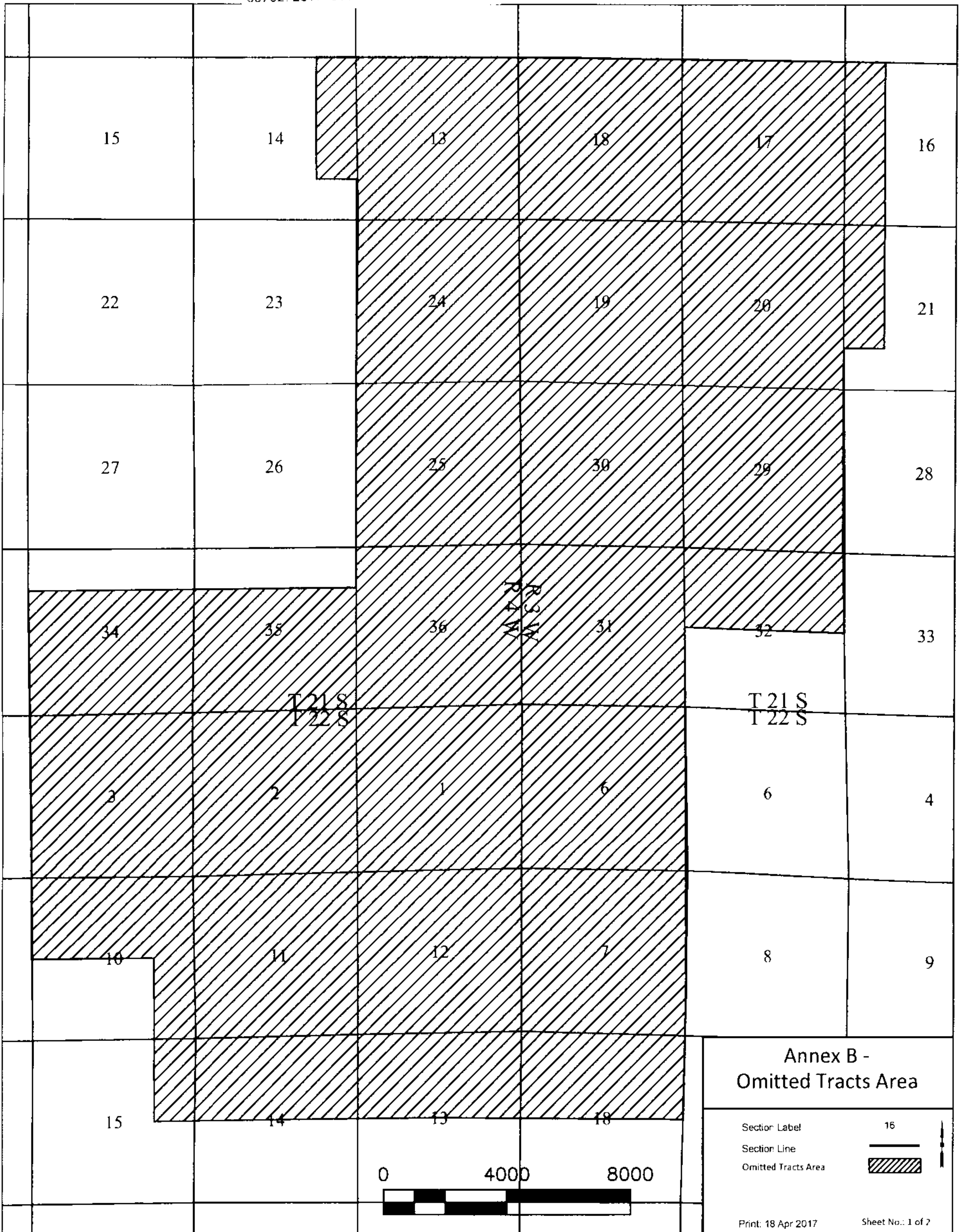
Township 22 South, Range 5 West, Bibb County

Section	Description
Section 1	The Northeast quarter The Southeast quarter
Section 12	The Northeast quarter of the Northeast quarter The Northwest quarter of the Northeast quarter



Jesse Creek Coal Mining Lease Agreement - Annex A







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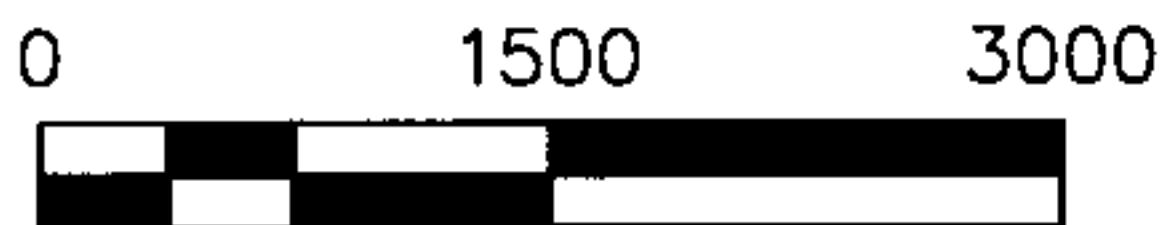
R 4 W

31

1

6

12



Annex B-
Omitted Tracts Area

Section Label

16

Section Line

Omitted Tracts Area

