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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2007 JUN 12 A 11: 52

MIKE GLEASON, Chairman
JEFF HATCH-MILLER
WILLIAM A. MUNDELL
KRISTIN K. MAYES
GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

In the matter of:

AGRA-TECHNOLOGIES, INC. (a/k/a ATI),
a Nevada corporation,
5800 North Dodge Avenue, Bldg. A
Flagstaff, Arizona 86004-2963;

DOCKET NO. S-20484A-06-0669

WILLIAM JAY PIERSON (a/k/a BILL
PIERSON),
and SANDRA LEE PIERSON (a/k/a SANDY
PIERSON),
husband and wife,
6710 Lynx Lane
Flagstaff, Arizona 86004-1404;

STATEMENT OF FACTS IN SUPPORT OF
SECURITIES DIVISION'S MOTION FOR
RULING THAT RESPONDENTS' ORE
RIGHTS & MINING AGREEMENT
INVESTMENTS ARE UNREGISTERED
SECURITIES

RICHARD ALLEN CAMPBELL (a/k/a DICK
CAMPBELL),
and SONDR A JANE CAMPBELL,
husband and wife,
8686 West Morten Avenue
Glendale, Arizona 85305-3940;

(Administrative Law Judge Marc Stern)

WILLIAM H. BAKER, JR. (a/k/a BILL
BAKER), and PATRICIA M. BAKER,
husband and wife,
3027 N. Alta Vista
Flagstaff, Arizona 86004;

Arizona Corporation Commission

DOCKETED

JUN 12 2007

JERRY JOHNSTON HODGES,
1858 Gunlock Court
Saint George, Utah 84790-6705;

DOCKETED BY	KK
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LAWRENCE KEVIN PAILLE (a/k/a LARRY
PAILLE),
220 Pinon Woods Drive
Sedona, Arizona 86351-6902;

Respondents.

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1 In an effort to simplify the issues for the contested hearing in this matter, and pursuant to
2 R14-3-106(F) & (K), the Securities Division ("Division") of the Arizona Corporation Commission
3 submits its Statement of Facts in support of its Motion for Ruling that Respondents' "Ore Rights &
4 Mining Agreement" investments constitute unregistered securities as follows:

5 **The Ore Rights & Mining Agreements**

6 1. From at least July 2003 to September, 2006, Respondents Agra-Technologies, Inc.,
7 William Jay Pierson, William Allan Campbell, Jerry J. Hodges and Lawrence Kevin Paille
8 (collectively, "Respondents") offered and sold unregistered "Ore Rights & Mining Agreement"
9 ("Unit Contract") investments within and from Arizona. (*See, Paille produced Unit Contract*
10 **Documents, Tab 1, ACC015304-ACC015338;¹ Paille Prepared & Signed Statement**
11 **Regarding Unit Contract Documents, Tab 2, ACC015303; Small Sample of Hodges produced**
12 **Unit Contract documents, Tab 3, ACC075084-ACC075087; Campbell produced Unit**
13 **Contract Documents, Tab 4, ACC006988-ACC007023; Agra, Pierson and Baker produced**
14 **Unit Contract Documents, Tab 5, ACC011353-ACC011389; Small Sample of Executed Unit**
15 **Contract Documents Provided by Agra, Pierson & Baker, Tab 6, ACC009732-ACC009735,**
16 **ACC010550-ACC010552, ACC044674-ACC044675 & ACC010802-010804; Affidavit of**
17 **Garry Clapper, Tab 7, ¶¶1-10; Hodges EUO Transcript, Tab 11, p. 98:7-11; Tab 15).**

18 2. Respondents sold approximately 1000 Units Contract investments in exchange for
19 approximately \$10,580,000 to approximately two hundred different widely disbursed investors
20 residing in numerous states and abroad, including: (1) Alabama; (2) Arizona; (3) California; (4)
21 Colorado; (5) Delaware; (6) Florida; (7) Hawaii; (8) Indiana; (9) Maryland; (10) Minnesota; (11)
22 Montana; (12) Nevada; (13) New York; (14) North Carolina; (15) Ohio; (16) Oregon; (17) Rhode
23 Island; (18) Texas; (19) Utah; (20) Virginia; and (21) Washington, and throughout Canada, Britain

24
25 ¹ The Xerox copies of the Unit Contract offering materials do not do the visual effect of the originals justice
26 (e.g., those provided by, for instance, Paille (Tab 1, ACC015304-ACC015338), and Agra, Pierson and
Baker (Tab 5, ACC011353-ACC011389); the originals are actually typical 2-Pocket Glossy Brochures
consisting of the Unit Contracts themselves as well as the 2002 and 2003 so-called Agra "Platinum
Recovery Project" promotional materials. (Tab 9, pp. 31:11 to 32:14; Tab 10, pp. 102:20 to 104:9).

1 and Bermuda. (Tab 7, ¶11; also, e.g., Tab 6). The Unit Contract investors expected a profit in
 2 return for their investment. (Campbell EUO Transcript, Tab 9, p. 36:1 to 38:5; Paille EUO
 3 Transcript, Tab 10, p. 75:3-7, p. 111:8-13, p. 112:19-25; Tab 11, pp. 81:25 to 84:13).

4 3. Under the Unit Contract offering materials, an AGRA investor could invest \$10,000
 5 to purchase a single Unit Contract investment:

6 HOW THIS VENTURE WORKS

7 EXAMPLE – PER UNIT PURCHASED: The purchaser acquires the mineral rights
 8 to 50 tons of mineral aggregate from Agra Technologies, Inc. by executing the **ORE**
 9 **RIGHTS & MINING AGREEMENT** and submitting payment in the amount of
 \$10,000 US.

10 Agra Technologies, Inc. specializes in processing and delivering platinum from its
 11 proprietary technology...

12 The cost of processing the ore will be deducted from the amount of recovery
 13 obtained in the recovery process and deducted from the total amount of precious
 14 metal recovered. i.e. 50 tons @ 5 ounces per ton platinum recovery = 250 ounces.
 15 Cost to process \$10,000; current platinum price \$650 per ounce x 250 = \$162,500 -
 \$10,000 = your percentage of income at 100% of the first \$50,000 of income, 20%
 of the next \$100,000 and 10% of the remainder of income or \$70,250 net to
 PRINCIPAL [Unit Purchaser].

16 The overall value of platinum is calculated at 5 ounces per ton...

17 (Tab 1, ACC015329; Tab 4, ACC007004; Tab 5, ACC011372).

18 4. Under the Unit Contract offering materials, a single Unit Contract purportedly
 19 entitles an investor to, “50 tons of platinum bearing ore for processing.” (E.g., Tab 1,
 20 ACC015312; Tab 4, ACC007015; Tab 5, ACC011384).

21 5. Respondents originally promised to process their investors’ volcanic cinders within
 22 12 months. (Tab 1, ACC015330; Tab 4, at ACC007005; Tab 6, ACC009732-ACC009735).
 23 Given their failure to produce any marketable quantities of any precious metals from the volcanic
 24 cinders on a cost effective basis to date, Respondents eventually changed their Unit Contract to
 25 state that they would process the cinders within 18, and then to state that they might process them
 26 within 24 months. (Tab 3, AC075084; Tab 6).

1 6. Under the plain language of the Unit Contract offering materials, Respondents and a
2 Unit Contract investor agreed to share in the anticipated profits from Respondents' extraction of
3 precious metals extracted from the Sheep Hill volcanic cinders:

4 PRINCIPAL [investor] agrees to receive 100% of the first \$50,000 of precious
5 metal recovered from the PRINCIPALS tonnage, 20% of the next \$100,000, and
6 10% of the remainder of the profits from MINERS' [Agra's] processing of its ore.

7 (Tab 1, ACC015330; Tab 3, ACC075084; Tab 4, ACC007005; Tab 5, ACC011373; Tab 6,
8 ACC010803; also, Tab 9, p. 36:20-25; Tab 10, p. 111:22-25, p. 112:1-12; Tab 11, p. 82:3-13).

9 Nevertheless, to date, despite selling the Unit Contract securities since at least July 2003,
10 Respondents have not processed any of the volcanic cinders purchased by the Unit Contract
11 investors, or paid them any returns on their Unit Contract investments. To date, Agra has not even
12 made a profit from the sale of any precious metals extracted from the volcanic cinders. (Tab 9, p.
13 23:14 to 26:16; Tab 10, p. 47:20-25, pp.52:14 to 53:11, p.117:13-19; Tab 11, pp. 36:17 to
14 37:25, pp. 39:18 to 40:15; also, Tab 1-4 & 6, demonstrating changing processing dates from 12
15 months, 18 months to maybe in 24 months).

16 7. Respondents pooled the Unit Contract investors' money together, in part, to
17 allegedly purchase or develop: (a) a purported precious metal processing plant; and (b) alleged
18 precious metal recovery technologies and processes. (Tab 8, ACC011145, "The new mining
19 contract investment revenue will be used to buy equipment and make the necessary plant
20 modifications to convert the plant from the old Galleon process to the new KMH process and
21 continue to fund the company operation until they get into full production."; Tab 9, p. 32:15-22;
22 Tab 10, p. 95:1-6, pp. 100:23 to 101:12, p. 112:6-12; Tab 11, pp. 69:23-70:18, p. 82:14-24).

23 8. The Unit Contract investors' money represents Respondents' primary source of
24 operating capital. (Tab 7, ¶12; also, Tab 9, pp. 21:23 to 25:15, p. 39:13-16, pp. 56:19-22 to
25 57:6; Tab 10, pp. 96:25 to 97:10; Tab 11, pp. 39:21 to 40:15, pp. 58:25 to 59:11).²

² In Arizona, the court may draw negative inferences from a party's invocation of their Fifth Amendment right against self-incrimination in civil cases. See, *Wohlstrom v. Buchanan*, 180 Ariz. 389, 391, fn.2, 884 P.2d 687, 689, fn. 689, fn.2 (1994)("we do not intend by our ruling to depart from the principle that in civil cases, fact

1 9. Respondents sold the Unit Contract investments based on their representations that
2 they allegedly possessed special technologies and expertise, as well as the alleged advanced AGRA
3 Plant that enabled them to obtain marketable quantities of valuable precious metals on an
4 economically feasible basis. (*E.g.*, **Tab 1, ACC015307**, "...but only in this past year has the
5 process developed with Galleon Technology and Developed Corp. proven to be both **economically**
6 **feasible** and agriculturally compatible." *also*, **Tab 9, p. 36:1-18; Tab 10, p. 81:2-8, p. 109:3-17;**
7 **Tab 11, pp. 80:19 to 81:8, p. 94:21-25**).

8 10. To date, no Unit Contract investor has either asked to, or actually removed their
9 tonnage of volcanic cinders from Respondents' facilities in a futile attempt to processes such
10 tonnage of volcanic cinders to extract any precious metals they might contain. (**Tab 9, p. 37:15-**
11 **19; Tab 10, pp. 113:1 to 115:15; Tab 11, p. 81:25 to 84:13; Tab 7, ¶11**)

12 11. The Unit Contract investors were passive, and they have no managerial or other
13 significant duties with respect to the either their investment or AGRA, or their promised profits.
14 (*E.g.*, **Tabs 1-6; also, Tab 9, p. 37:1-5; Tab 10, p. 112:13-25, p. 113:1-22, p. 115:1-15; Tab 11,**
15 **p. 85:3-6**).

16 12. In lieu of taking possession of any precious metals extracted from their Sheep Hill
17 volcanic cinders, the Unit Contract investors have a choice of having Respondents sell the amount
18 of platinum that may be recovered from their volcanic cinders for cash based on the current market
19 rate for the commodity. (**Tab 1, ACC015329; Tab 4, ACC007004; Tab 5, ACC011372**).

20 13. Respondents did not segregate or separate one individual Unit Contract investor's
21 tonnage of purchased volcanic cinders from those of another. (**Tab 9, p. 38:18-21; Tab 10, pp.**
22 **117:20 to 118:18; Tab 11, pp. 87:16 to 88:18**).

Lack of Registration

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26 finders are entitled to draw negative inferences against those who assert Fifth Amendment rights against self-incrimination."); *Montoya v. Superior Court*, 173 Ariz. 129, 131, 840 P.2d 305, 307 (App. 1992)("the trial judge may draw a negative inference from the father's invocation of the Fifth Amendment.").

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Copy of the foregoing mailed this 8th day
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By: 

TAB 1



Campbell EXHIBIT 31
DATE 3-28-07
Coletta E. Ross
CCR No. 50658

ACC015304
AGRA TECH.

**Redefining
Minerals Recovery
for the
21st Century**

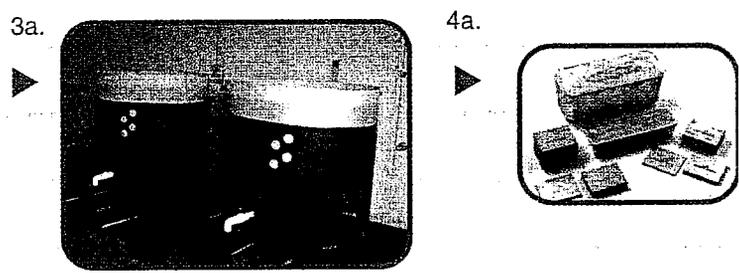
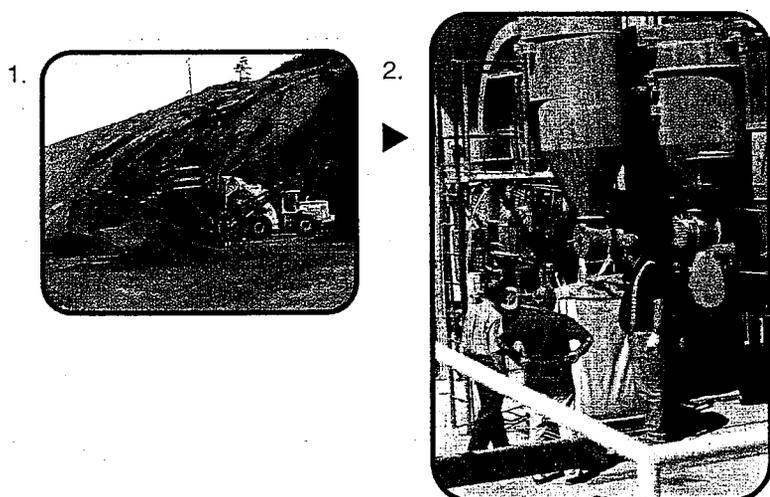


□ MISSION STATEMENT

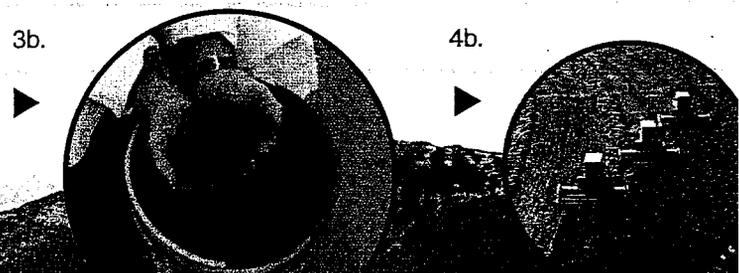
Agra-Tech will enter the 21st century as a "new" mining company, extracting platinum group metals (PGM's) identified in its complex mineral resources with the bulk of the resources used as a bio-available complex mineral-agricultural "by-product".

□ CINDER PROCESSING

◇ DIVISION 1 (PMR MINING)

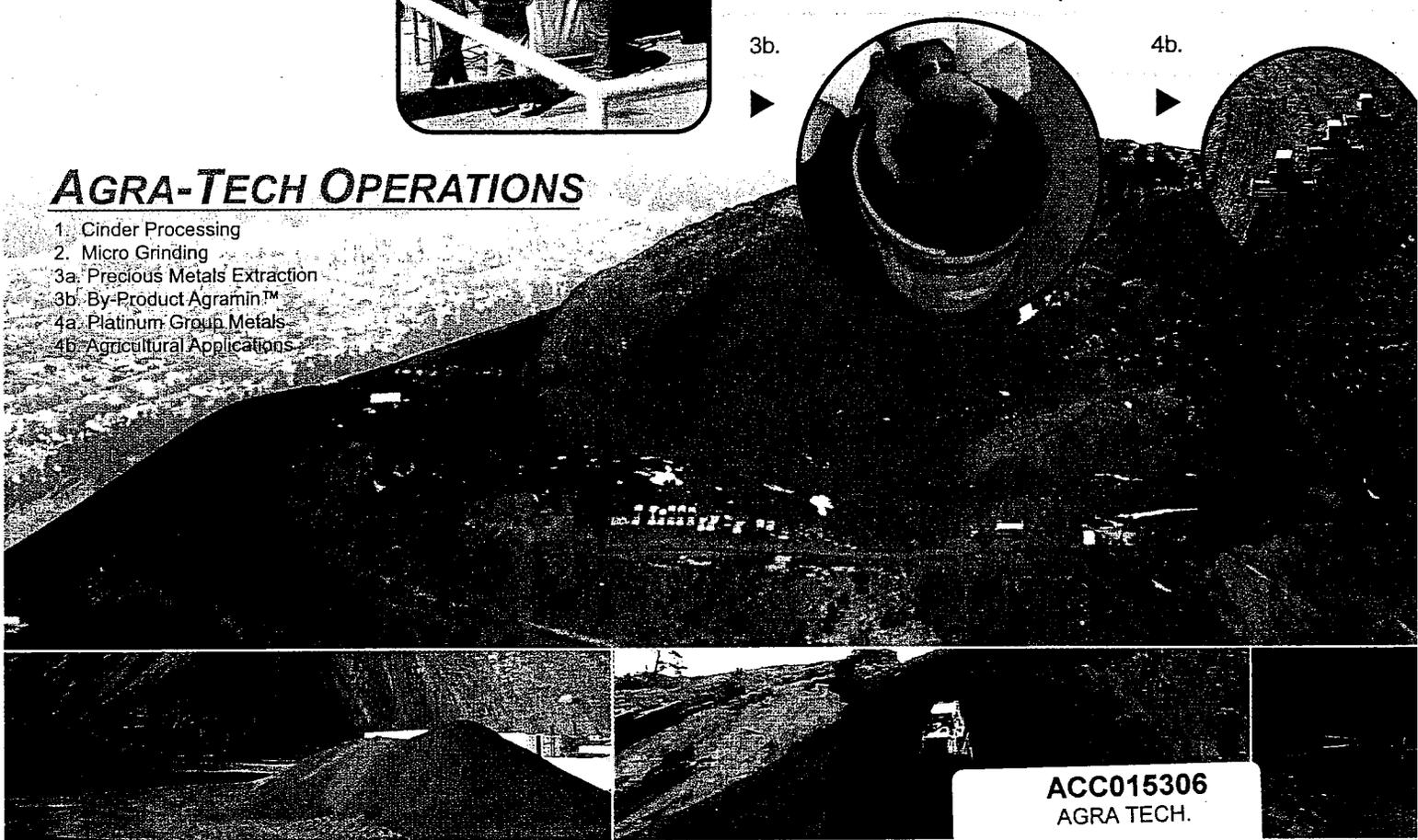


○ DIVISION 2 (AGRICULTURE)



AGRA-TECH OPERATIONS

- 1. Cinder Processing
- 2. Micro Grinding
- 3a. Precious Metals Extraction
- 3b. By-Product Agramin™
- 4a. Platinum Group Metals
- 4b. Agricultural Applications



ACC015306
AGRA TECH.

□ SHEEP HILL 122 ACRES 30 MILLION TONS CINDER

2002

'03

'04

'05

'06

CORPORATE OVERVIEW

The Company has evolved as a Minerals Resource Company. Agra-Tech has processed and researched its complex mineral reserves seeking ways and means to develop maximum use/s of the resources. For several years, the precious metals identified in the Company's resources were unable to be recovered with any of the processes the Company allowed to be tested or applied. The Company has studied several processes purported to be capable of recovering the precious metals identified in its resources, but only in this past year has the process developed with Galleon Technology and Development Corp. proven to be both economically feasible and agriculturally compatible. The Company's agricultural division will, formulate, package and deliver to the marketplace consumer demand products, which it has researched and developed over the past five years, from the by-product of the Company's precious metals recovery processes.

Extensive research has provided indications precious metal content exists within the mineral resources owned or controlled by Agra-Tech. Both internal and external testing from recognized third party sources have consistently confirmed these findings. Agra Tech is acquiring the

technology preliminarily proven capable of efficiently extracting the platinum group metals present and identified in its complex mineral resources. The Company will work with Galleon to finitely develop the environmentally friendly recovery processes, and implement a commercially viable process for the mineral resources. This technology has the capacity to provide Agra-Tech with significant revenue from the sale of some of its precious metal bearing ore, while essentially providing the company with the bulk of the resources, as a bio-available complex minerals... agricultural "by product".

The Company projects its production costs of PMR to be under \$200 per ounce in 2002. The Company's budgeted expenditures for the expansion of operations in 2003 is \$3.5 million. Initial production estimates and recovery rate indicators, provided from small-scale production, project revenue generation of over \$35 million from the first year of production. Revenues are also expected to exceed \$232 million, by the company's fifth year of expanded operations, with subsequent gross profits of approximately \$100,000,000.

The Company's "Minerals Development Plan" seeks to maximize the uses of its mineral resources, in combining processes and compounding production. *The Company uses environmentally friendly and ecologically safe processes to extract precious metals and create natural products for agriculture.* D-1 feeds D-2 and D-2 produces bio-available complex minerals from the by-product of the efficient recovery of 4a.



SHEEP HILL OPERATIONS



INVESTMENT HIGHLIGHTS FINANCIAL DATA

- USA Imports 80% of Platinum requirements
- Platinum Group Metals Uses/Demand Increasing Globally
- Maximum Uses of Resources Maximized Recovery Maximized Profit
- Global Demand for Sustainable Ag Products
- Projected First Year PGM Recovery & Ag Revenues \$38,133,600
- Excellent Merger/Acquisition Expertise
- Corporate Plan Geared Toward Shareholder Value
- Regularity/Integrity in Shareholder Communications
- Strong Growth Realized from Efficient Management of Resource Assets

DIVISIONS OF PROFITABILITY

d1 *Minerals Development* Division has a high value, consumptive market, the value of which is subject to global supply and demand. This Division has identified Precious & Noble Metals contained within the company's mineral resources



d2 *Agricultural based* and as such it will Process the D1 by-product. D2 formulates Packages and Delivers commercial and consumer Products for agriculture which it has researched and developed over the past five years.

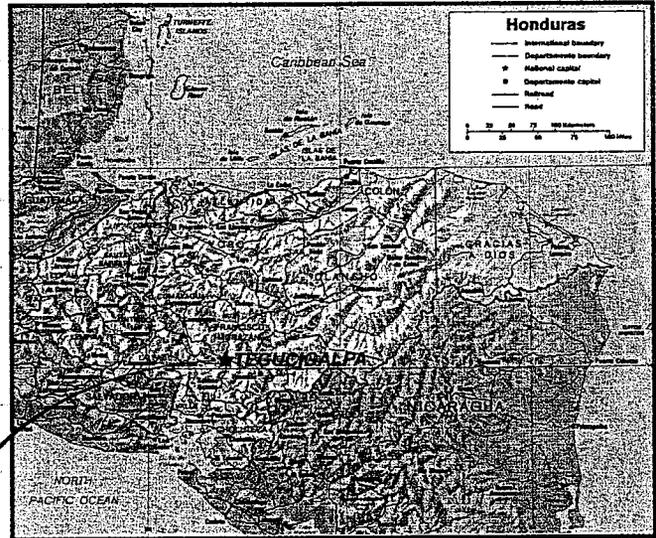


ACC015307
AGRA TECH.

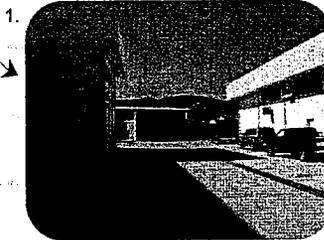


Agra-Tech, Inc. Shareholders will see the productive benefit of the Company's precious metal recovery/revenue generation in the early years, and the matching benefit of the agricultural impact as the ascending lines of revenue draw closer together in ensuing years.

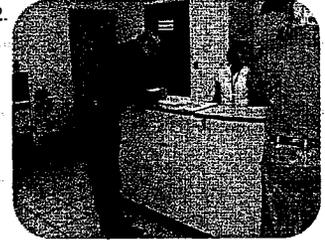
REFINERY



MERENDON de Honduras S.A. de C.V.



1. **INSIDE MERENDON REFINERY COMPOUND**



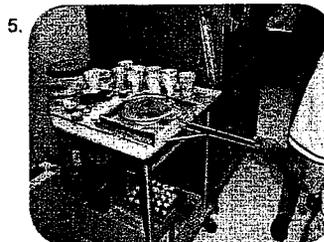
2. **BILL PIERSON SIGNING IN AT SECURITY DESK**



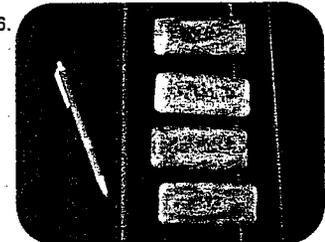
3. **MERENDON CHEMIST DAVID HODGES FILTERING PREGNANT SOLUTION**



4. **BILL PIERSON (AGRA TECH) RON WEIDNER (GALLEON) D. HODGES W/ PLATINUM CHLORIDE**



5. **PLATINUM CHLORIDE HEATED IN ASSAY FURNACE**



6. **PLATINUM BARS - READY FOR FINAL REFINING**

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ACC015308
AGRA TECH.

CONFIDENTIAL

TAB 1

Pages 6 & 7

ACC015309 & ACC015310

Agra Technologies, Inc.

Platinum Recovery Project – 2003

Prospective PRINCIPALS are being offered an opportunity to purchase the rights to precious metals in mineral aggregate on a tonnage basis from Agra Technologies, Inc.. The company may be retained to also process the aggregate purchased by the PRINCIPAL.

Agra Technologies, Inc. has 75,000 tons of PGM's cinder located in Flagstaff, AZ, which will be used for this project. See Company information packet.

The prospective PRINCIPAL of the precious metal bearing mineral aggregate can receive the following benefits:

- PROJECTED POTENTIAL RETURN ON CASH - 7.02 times the original initial purchase. Or, 700+% based on current valuation (*including initial payment*).
- TAX DEFERRED INCOME – It is the opinion of our tax consultants that until the platinum is sold and converted to dollars, the gain is not taxable.
- NOT A LIMITED PARTNERSHIP – This is a Schedule C deduction, if used.
- VERIFICATION OF CLAIMS – Recent geology and assay reports verify and validate the presence and recovery potential of the PGM's.
- INDEPENDENT VERIFICATION – MTB an independent evaluator of precious bearing metals, PGM's, has verified and validated the recovery process developed by Galleon Technology & Development Corp.
- PROCESSING MATERIAL – After purchasing the rights to the material containing the PGM's the PRINCIPAL may remove and process the ore by means other than those used by Agra Technologies, Inc.

The foregoing summary is for informational purposes only and should not be construed as an offer to sell nor a solicitation to buy a unit in the Agra Technologies, Inc. program nor an offer to sell nor a solicitation to purchase a unit in the Agra Technologies, Inc. program. No part of this memorandum may be reproduced or used in any form or by any means- graphically, electronically, or mechanically, without the written permission of its producer. It is highly recommended that the readers rely solely on their own judgement and experience as they utilize any of the ideas contained herein.

This summary was designed to provide accurate and authoritative information in regard to the subject matter covered. It is presented with the understanding that the author is not engaged in rendering legal, accounting or other professional services. If legal advice or other professional assistance is required the services of a competent professional person should be sought.

From a Declaration of Principles jointly adopted by a Committee of the American Bar Association and a Committee of Publishers and Associations.

Agra Technologies, Inc. Assumptions 2003

Agra Technologies, Inc. Assumptions for calculation purposes to the
Option Project – 2003

- Agra Technologies, Inc. owns over 5,000,000 tons of Sheep Hill cinder containing Platinum Group Metals (PGM's)
- Each Unit: \$10,000 US
- Total Number of Units Available: 1500 Maximum
- Each Unit: \$10,000 purchases THE RIGHT'S to 50 tons of platinum bearing ore for processing
- Development & Processing Costs to the PRINCIPAL: \$200 per ton or \$10,000 per Unit
- Recovery Allocation: PRINCIPAL receives 100% of the first \$50,000 of platinum processed, 20% of the next \$100,000 and 10% of the remainder of platinum produced in the MINERS ore body.
- Platinum: \$650 per ounce
- Anticipated Return*: \$70,250 to PRINCIPAL per Unit. = 700+%

Units Obtained for Processing	Ounces Per Ton'	Participant Income in Dollars US
1	1	\$22,500
1	2	\$51,000
1	3	\$57,000
1	4	\$64,000
1	5	\$70,250*

NANOTECHNOLOGY and the BIG CHANGES coming from the INCONCEIVABLY SMALL

SCALE, It's all about SCALE.

Nanoscience takes as its subject the realm of the infinitesimally small, tinier than the tiniest atom. If the measurement known as a nanometer were scaled up to the width of your fingernail, then your fingernail would be the size of Delaware and your thumb would be the size of Florida. This is the domain of the nanometer – the nanocosm – is a *serious* kind of small.

In dealing with platinum group metals and the recovery of incomplete molecules we're dealing in the world of the tiny, or we should say, teeny tiny. One thousandth of a gram is a *milligram*, one thousandth of that – a millionth of a gram – is a *microgram*. A thousandth of a micro-unit, or billionth of something, is expressed by the prefix *nano* – from *nano*, classical Greek for *dwarf*. That is what we are dealing with here.

While the word *nanotechnology* has gained wide currency, its use to mean something already in existence was initially premature. Even today the nanocosm has not generated much solid technology. It's about to that's inevitable. But the bulk of it is a few years, and in some cases more than a decade away.

Still nanoscience has recently made such staggering gains that it is undeniably on the brink of a true nanotechnology. We have now mapped enough of the nanocosm to let us make educated guesses about the type of world it will soon support. These estimates range from the merely surprising to the wig-flippingly outrageous. Some very big changes in business are about to come to us by the way of the extremely small.

The recovery process that we will utilize for the extraction of precious metals, namely platinum at this time, is based in "nanotechnology". Five years ago this would not only have been unachievable, it would have been considered scientifically unfounded. Thanks to those who had the foresight to look at what the possibilities were and to persist, methodology has been developed incorporating this science, capable of growing matter through a selection process, in a stable environment. The learning curve for this form of precious metal growth is still being drawn. We expect to "grow" the investment in defined resources, using these newly developed nano-techniques, as we have repeatedly been successful in extracting molecules heretofore unavailable under any circumstances.

We have confidentially reviewed this technological process with a globally recognized leader in the field of analytical study, and they confirmed our findings, writing a 300-page document, further authenticating the process. What we are offering in our presentation to you is quite simple. We give up some platinum, which we give to you for your investment. You make an extraordinary return on your money, and we keep our company and its shareholder base at a manageable number. In the final analysis, you must read our material; sign the disclosures, mining and ore contracts, put up your money and watch us grow.

Nanotechnology will not content itself with revolutionizing the grand things: economy and culture and democracy. It will alter, from the inside out, the myriad small details that affect us – how we stay healthy, how we spend leisure time, how we raise our children. The nanocosm that supports these widespread changes may not always be apparent, but perceived or not, it will be the agent of revolution.

DEVELOPMENTS FROM NANOSCIENCE

- Self-assembly of small electronic parts, based on artificial DNA or guest-host systems
- Complete medical diagnostic laboratories on a single computer chip less than one-inch square
- Light, efficient ceramic car engines
- Drugs, and drug-delivery systems, that turn AIDS and cancer into lower-level, manageable conditions – as juvenile diabetes is today
- Traditional categories for science and technology (e.g. chemistry, metallurgy) start to blur
- Guyed structures 30-100 miles high, used for satellite launches and direct communications
- Cosmetic nanotechnology, including permanent hair and tooth restoration

At a time of astonishing and rapid advances in what we know of our own world, Agra Technologies, Inc. will no doubt record the twenty-first century as the Renaissance of the Nanocosm as it charts these first great voyages of discovery into a bizarre new realm. One that is small in size..... but epic in meaning.

2003 | COMPANY PORTFOLIO

Precious Metal Recovery



ACC015314
AGRA TECH.

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AGRA TECHNOLOGIES, INC.

HISTORY OF COMPANY

Rhodium, palladium and platinum were discovered in the Sheephill cinder by Galleon Technology & Development Corporation geologists in early 2000. In 2002 -2003 they re-confirmed the discovery and an alliance with Galleon to develop PGMs discovered in the Sheephill deposit commenced. Additional testing at Galleon's Phoenix, AZ facility for PGMs on the Sheephill deposit were implemented with similar-positive results, and Agra Technologies, Inc. agreed to develop a program for implementation of a facility in Flagstaff, Arizona in the ensuing months. It is expected that Glory Enterprises LLC will assist in the preparation and delivery of up to five (5) million tons of cinder material from the Sheephill Cinder Resource owned by ATI. Glory contracted the delivery of the minerals to Agra Technologies, Inc. (ATI) and will transport the cinder to its facilities, which will be constructed for recovery of the PGMs in late 2003 or early 2004. ATI, has an agreement with Glory Enterprises LLC on the mineral rights and will receive a portion of all profits derived from any PGMs in the cinder.

Agra Technologies, Inc. (ATI) (a Nevada Corporation) was started by individuals who were looking at the possibility of entering into the mining/natural mineral fertilizer industry back in 1990. During this time the two Officers inspected and tested a number of volcanic mining properties. As a result of investigations with others in the precious metals industry, ATI intends to construct an ore processing mineral extraction facility close to the Sheep Hill property in Flagstaff, AZ. The building site has access to utilities and will be operable on a year-round basis.

Once the precious metal is extracted and the contract owners are compensated, ATI will utilize the "by product" left from the extraction process and sell it to the agricultural market. ATI currently produces a natural soil amendment for the agricultural industry, and will obtain licensing agreements and manufacturing rights to produce a list of products for the backyard gardener, and commercial growers and will also supply base product to a number of manufacturer's, for inclusion in their fertilizer formulations.

ATI will also work with Gumat Technologies, Inc. through a relationship developed by officers in the company. This will provide ATI, with Gumats' products, formulations and alliances with its manufacturer's. This progress evolved as a result of the term "sustainable agriculture," a term the scientific community used that indicates the condition of the earth as an agricultural producer.¹ Scientist, soil ecologist and global governments are all examining the many avenues and alternatives for establishing sustainable agriculture. It is a common consensus, that if we are going to be capable of feeding a growing world population, we must discover how to produce better soils to grow our crops. Testing is currently underway at the USDA in Bethesda, MD using a combination of humate, Agramin, kelp and fish showing increases in vitamins, minerals, beta-carotene, protein, oil and sugar for nutrition

STRATEGIC PLAN

The management of Agra Technologies, Inc. is interested in the development of several properties in Northern Arizona. They are convinced that a very high recoverable precious metal content exists within the properties cinder material and both internal and external testing from recognized third party sources confirm this assumption.

ATI will work with the precious metal recovery allies it has developed over the past seven years to implement a leach recovery processes capable of initially operating at 40 tons per day, and easily increased to 100 tons per day.

¹*Soil Remineralization and Sustainable Agriculture, Speaker Abstract, May 1994, USDA, Beltsville, MD. Interview with Dr. Robert Bruck on the state of the Appalachian Forests and Remineralization, Remineralize the Earth, Issue 3, 1992.*

SCIENTIFIC DATA

ATI has spent considerable resources in testing the precious metal content of its material. As a result of new technologies that have been developed in the last seven to ten years, negotiations have taken place to work with one of the developers of this "special technology" to recover heretofore unobtainable precious metal.

A Technical Advisory Board is being implemented to assist in the decisions regarding the results from assays and other metallurgical testing conducted over the past few years. This Board will work with the heads of the companies to develop a sound program for implementation of a plant capable of producing the required results for commercial application.

MARKETING

Precious metals sales will occur through the sale of product to the refinery, at a discount to offset any additional costs for external charges to the company for marketing. Profits from the sale of the company's precious metal will provide ATI with additional income to further expand its production of "natural" products for agriculture.

MISSION

ATI will continue to work to develop effective alternatives to manufactured chemical products for agriculture, yard and garden. Its natural products will respond to the needs of both the productive capacity of agriculture and the worldwide demand for fertile soil, clean air and water. It will also introduce a grinding technology that will revolutionize the methods currently used to produce fine grind products, at a reduced cost to the producer, and either a cost savings to the consumer or a much higher profit margin to the company. Both of these developments will be assisted by the extraction of precious metals.

MINERALOGICAL ASPECTS OF SHEEP HILL

These properties are basically composed of aphanitic to porphyritic vesicular olivine basalt. The basalt contains phenocrysts of hypersthene and olivine surrounded by a groundmass of andesine, augite, and opaque minerals. A typical model analysis indicates that the basalt contains the following minerals:

ORTHOPYROXENE

A mineral group with a general formula of $ABSi_2O_6$ where A is Mg, Fe, Ca, and Na. B is Mg, Fe and Al. The chief elements are magnesium, iron, calcium, sodium, aluminum, oxygen, and silicon.

PLAGIOCLASE

A mineral group with a formula of $(Na, Ca) Al (Si, Al) Si_2O_8$. The chief elements are sodium, calcium, aluminum, silicon, and oxygen.

OLIVINE

A mineral series with a solid solution series that range from Mg_2SiO_4 to Fe_2SiO_4 . The chief elements are magnesium, iron, silicon and oxygen.

BIOTITE

A mineral with a formula of $K (Mg, Fe) (Al, Fe) Si_3O_{10} OH_2$. The chief elements are magnesium, potassium, iron, aluminum, silicon, oxygen, and hydrogen.

CHEMICAL ANALYSIS

The United States Geological Survey (USGS) has conducted numerous chemical analyses of the basalt cinders that occur in the Sheep Hill, Wild Cat Hill, and Cochrane Hill areas. Chemical analyses of the major elements (weight percent) indicate the basalt contains silicon, aluminum oxides, iron oxides, magnesium oxides, calcium oxides, potassium oxides, titanium oxides and manganese oxides.

Quantitative spectrographic analyses indicate the basalts in the San Franciscan volcanic field contain the following elements: silver, copper gallium, manganese, chromium, boron, cobalt, nickel, barium, strontium, vanadium, scandium, yttrium, zirconium, rubidium, zinc, niobium, lanthanum, and cesium.

The PGMs, which consist of palladium, platinum, rhodium, iridium and ruthenium are concentrated in at least three principal layers along with small amounts of nickel, copper, silver and gold. The Sheephill appears to form a continuous layer, which is exposed on all sides in a cylindrical shape, much like an ice-cream cone. It appears the PGM grade of the Sheephill is significantly higher than that of the Merensky Reef in South Africa's Bushveld Complex, or the J-M Reef in North America, known as the Stillwater Mining Co. Mine. This was thought to be the only mine of its type outside of South Africa and Russia until just recently. Their reserves are based on a cut-off grade of 0.3 ounce to 0.4 ounce of palladium plus platinum per ton of ore.

Soil Scientists indicate that **basalt supplies the essential nutrients for a balanced soil, which is said to be fertile.** To balance the soil, 13 nutrients have to be present which includes nitrogen, phosphorus, potassium, calcium, magnesium, sulphur, iron, manganese, zinc, copper, boron, molybdenum, and chlorine.

Much of this information was obtained from reports submitted to the U.S. Department of the Interior Bureau of Mines, and the Mineral Land Assessment Open File Report 1992. The reference is titled Mineral Resource Appraisal of the Coconino National forest, Arizona, by Michael E. Lane MLA 11-92 Intermountain Field Operations Center, Denver, CO.

**CHEMICAL COMPOSITION
OF THIS
VOLCANOCLASTIC MATERIAL**

NORMATIVE COMPOSITION

MINERAL	CHEMICAL COMPOSITION	PERCENTAGE
Orthoclase	KAlSi_3O_8	10.11%
Albite	$\text{NaAlSi}_3\text{O}_8$	26.19%
Anorthite	$\text{CaAl}_2\text{Si}_2\text{O}_8$	20.01%
Diopside	$\text{CaMgSi}_2\text{O}_6$	17.28%
Olivine	$(\text{Mg, Fe})_2\text{SiO}_4$	13.25%
Nepheline	$\text{NaAlSi}_3\text{O}_8$	5.66%
Magnetite	Fe_3O_4	2.32%
Ilmenite	FeTiO_3	2.32%
Apatite	$\text{Ca}_5(\text{PO}_4)_3(\text{F, Cl, OH})$	1.53%

MAJOR OXIDES IN WEIGHT PERCENT

OXIDE	USGS ANALYSIS	CHEMEX ANALYSIS
SiO ₂	49.62%	62.60%
Al ₂ O ₃	16.31%	16.10%
Fe ₂ O ₃	1.60%	3.10%
FeO	8.15%	
MgO	6.34%	0.83%
CaO	9.15%	1.66%
Na ₂ O	4.33%	3.10%
K ₂ O	1.71%	3.86%
TiO ₂	1.94%	
MnO	0.20%	0.85%
Cr ₂ O ₃		0.04%

The Sheephill is a 122.14 acres, consisting of an estimated 30 million cubic yards (36 million tons) of cinder material (as indicated in the appraisal report prepared by Maynard & Associates, Inc. and Mr. Earl Runte). The site is almost square in shape, with dimensions of 2,230 feet by 2,310 feet. This cinder cone raises approximately 520 feet above surrounding properties.

All necessary utilities for development are available to the subject and are supplied by the city. The subject being a hill raising 520 feet above all surrounding properties, it is not located within a special flood hazard area.

PGM ORE RESERVES

While it is not possible to project "proven" reserves, it is relatively easy for us to calculate a minimum of approximately 10 million yards of material with "economically viable" PGMs in place. This is based on the testing of over 100 tons of material in a horizontal plane of approximately 60 feet in height and 2000 feet in length by 2000 feet in width (240,000,000 cu. Ft. / 27 X 1.2 = 10 Million tons) on the Sheephill.

The company will engage the services of MTB, Inc. of Colorado, independent consultants, who are experts in mining, geology and ore reserve determination, and will utilize Behre Dolbear to carry out independent reviews and inventories of the company's ore reserves commencing with production in 2003.

ORE RESERVES (1)

- (1) Reserves are defined as that part of a mineral deposit that can be economically and legally extracted or produced at the time of determination and is customarily stated in terms of "ore" when dealing with metals. The probable reserves are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are between 50 and 1,000 feet apart. The degree of assurance, although lower than that for proven reserves, is sufficient to predict the geological regularity of the hill between points of observation.
- (2) Total probable reserves include 10 million yards, which has been identified geologically but not yet established as proven. Because of the expense of the close-spaced drilling necessary to generate proven mining reserve estimates, the company will generally attempt to establish sufficient reserves to support its mine development objective of approximately 18 months of production.

CURRENT(and projected) OPERATIONS

AGRA TECHNOLOGIES, INC. - PROCESS FACILITY

The company's current operations are located at the Dodge Ave., Flagstaff facility, adjacent to the Sheephill cinder deposit in Flagstaff, AZ. In addition, the company expects to construct and maintain 10,000 square feet of buildings, which will contain shop and warehouse, changing facilities, head-frame, hoist house, paste plant, storage facilities and office. All structures will be located within its 26 acre operating permit area at the 66 Leupp Road – Water Station location approximately 10 miles east of Flagstaff. The Sheep Hill is located approximately 5 miles east of downtown Flagstaff, AZ and is accessed by a paved road. The company's processing facility will have adequate water and power from established sources.

MINING

The Sheep Hill cinder deposit will be "mined" by, Glory Enterprises LLC, who will provide us with "sized" material of 3/8ths minus for additional grinding at our Leupp Road facility. This will reduce haulage costs, improve material handling of ore and improve grinding capabilities for the next phase of the operation.

Once the PGM's are processed, the remainder of the finely ground material will be processed, mixed with humate when applicable and bagged for use in applications associated with commercial agriculture and home gardeners. Virtually all of the processed material will be used for this purpose with very limited waste as a result of the process. The company will maintain a permitted waste disposal site on location for any material that is not capable of being used in these applications.

Costs per ton for the sizing, delivery stacking are extremely inexpensive and it is anticipated that these costs of \$3.50 per ton will remain constant for the foreseeable future.

PRODUCTION

The company expects to be capable of producing approximately 116,800 ounces of Platinum at the new facility, during the first year year of operation. In conjunction with the 2003-2004 facility an Expansion Plan is being formulated for early 2005. This will allow for the rate of increased mining development on the existing levels of the Sheep Hill as well as new levels accessed from additional testing.

The company projects its cash production costs to be under \$200 per ounce in 2003. The company's total capital expenditures for the expansion of the facilities at the 66 Leupp Road location are approximately \$3.5 million. Based on production estimates, the company expects to generate in excess of \$58,000,000+ in revenue during its first year of operation.

GRINDING

ATI has recently purchased a grinding system from D & B Enterprises International, LLC who has spent years in R&D developing the various component parts necessary for a "complete" grinding system capable of utilizing materials of different hardness for processing. This system, from Australia, called the Alligator Mill System™, is a high-speed wind swept impactor unit with only one moving part. Raw product feed size for this mill is 25 mm and a magnetic separator belt is fitted to the feed conveyor to reduce the risk of foreign metals entering the mill causing damage. The interesting feature of this particular type of mill, is the particle shape, due to the high speed impacting on the product within the mill, particle shape is more rounded (spherical) with sharp edges, without the slimes produced by the traditional ball mills.

Pulverization is achieved by material to material impacting with hammer speeds of 90 – 100 meters per second, and accelerated particle speeds of up to 200 meters per second. An artificially induced complex vortex, by virtue of the design of this mill, causes instant size reduction without the use of screens.

This "system" is a complete working unit with all the extras such as feed conveyor and dust collector, including ducts and exit conveyors. Thus allowing for expedient connection to the electricity (mains) and an efficient start of production of our product without worrying about how we are going to make it work, or how to set up the operation. This was a major consideration for us since the portability of the system is a major benefit in its application for "on site" grinding of specialized materials for use in agriculture, and other applications. This has resulted in the company's planned utilization of one of these systems for each of its business products; PGMs, humate, minerals, and micro lime grinding.

The company has determined a preliminary estimate of the operating and capital costs for an Alligator Mill System™ associated with the design, engineering, construction and start-up of a one and one half-to two ton per hour (1.5-2 TPH) facility. The cost estimate was prepared with consideration for industry costs of equipment, availability of material at a grind able feed size, and overall accessibility. The company has modified and improved its approach to materials processing, as continued research and planning has warranted. This on-going effort will allow the company to spend less on depreciating heavy equipment, put more dollars into appreciating real estate/operating facilities and provide a greater cash position. D & B purchased the Alligator Mill System™ in September 2002 and it was delivered and commissioned at the 66 Leupp Rd. water station in early November 2002. A standby order has been placed for a 10 ton/hr unit, specifically designed to meet the needs of ATI.

LEACH RECOVERY TECHNOLOGY

Agra Technologies, Inc. maintains a privacy agreement with its technological allies, and therefore is not able to disclose the methods used in the recovery process. However, the basic events consist of the ore being fed into the leach tank after being ground to a minus 400 mesh for liberation of the PGM-bearing sulfide minerals from the rock matrix.

Various reagents are added to the slurry to separate the valuable sulfides from the complex mineral content in a leach circuit. In this circuit, the sulfide minerals are freed to accumulate in a stable environment. Several other influences are brought to bear upon the material from this point on. Attraction, filtration and concentration are a few of the insights from historically standardized processes which we are applied. The concentrated material, which represents approximately 1% of the original ore weight, dried, treated and transported to the refiner. The remainder of the ground complex minerals are then removed from the leach circuit and stacked for further drying and bagging.

METALLURGICAL COMPLEX

Base Metals Refinery. The base metals refiner will have a capacity equivalent of more than 5 tons of ore per day, of mine production. Even though mine production will be ramped up during the 2004 year, the base metals refinery selected will be able to maintain the turn around time schedule we have initially established.

EXPLORATION ACTIVITIES

The company's current plans are to continue to focus on its current PGM reserves and mineralization on the Sheep Hill rather than exploring for or attempting to acquire additional developed or undeveloped ore reserves. Consequently, exploration does not represent a significant expenditure for the company's future.

SALES AND HEDGING ACTIVITIES

Platinum is sold to a number of consumers and dealers with whom the ATI has established trading relationships. Refined PGMs 9999% purity in sponge form or bar form will be transferred upon sale from the company's account at third party refineries to the account of the purchaser. Customers, brokers or outside refiners will purchase by-product metals at market price.

The company may enter into hedging instruments from time to time to manage the effect of price changes in palladium and platinum on the company's cash flow. Hedging activities typically consist of

"spot deferred contracts" for future deliveries of specific quantities of PGMs at specific prices, the sale of call options and the purchase of put options.

From time to time, the company may enter into short-term delivery contracts. The company expects to develop credit agreements with its major trading partners that provide for margin deposits in the event that forward prices for platinum exceed the company's hedge contract prices and their credit lines.

SAFETY

In order to develop a favorable trend, management will implement additional safety training programs and will vigorously apply the "Neil George Five-Point Safety System," which is well known to the underground hard rock mining industry. This program encourages daily interaction between employees and supervisors with a specific focus on safety and requires subsequent documentation of that interaction. Management believes that zero tolerance in accident frequency is achievable.

Safety is a primary concern of the company, and it believes that training is a key element in accident prevention. Eighty hours of safety training will be required before inexperienced employees may start working in any hazardous areas, and yearly retraining in first aid, accident prevention techniques and equipment handling are mandatory for each employee.

EMPLOYEES

As of December 31, 2003, ATI expects to have employees in the following areas:

AREA	NUMBER OF EMPLOYEES (Pilot Plant 6 month operation)
Mining	1
Processing	2
Maintenance	1
Technical Services	1
Safety and Environmental	
Administration	2
Miscellaneous	1
Total	8

Management believes its employee relations will be good and believes its wages; benefits and working conditions will be competitive with other mining operations of this type.

REGULATORY AND ENVIRONMENTAL MATTERS

General: The company's business is not subject to extensive federal, state and local government controls and regulations because is not directly involved in the "mining" business. ATI is a mineral processor with essentially all of its by-product used for other applications either in agriculture or as an added value to other types of soil enhancers like humates, lime or even NPK fertilizers.

COMPETITION: PLATINUM MARKET

THE FOLLOWING DESCRIPTION OF RECENT EVENTS RELATING TO THE PLATINUM MARKET IS NOT INTENDED TO BE COMPLETE, AND READERS ARE ADVISED TO OBTAIN THEIR OWN INFORMATION AND ADVICE REGARDING THE COMMODITIES MARKETS.

GENERAL

Platinum is a rare precious metal with unique physical qualities that are used in diverse industrial applications and in the jewelry industry. The company knows of no economically viable replacements for PGMs in a number of key technological and industrial applications. The development of a less

expensive alternative alloy or synthetic material, which has the same characteristics as PGMs, could have a material adverse effect on the company's revenues. Although the company is unaware of any such alloy or material, there can be no assurance that none will be developed.

Agra Technologies, Inc. competes with other suppliers of PGMs, some of which are significantly larger than the company and have access to greater mineral reserves and financial and commercial resources. See "Supply" below. In addition, new mines may open over the next several years, increasing supply.

Furthermore, in certain industrialized countries, an industry has developed for the recovery of PGMs from scrap sources, mostly from spent automotive and industrial catalysts. In spite of these conditions, the company will be successful in competing with these existing and emerging PGM producers because of its low production and capital equipment cost.

DEMAND

Demand for platinum, palladium and rhodium have increased since 1992, but the increased demand for rhodium and palladium has been much more dramatic. Demand for palladium has grown from 3.9 million ounces in 1992 to 8.4 million ounces in 2000 – more than double in eight years and the demand for rhodium has more than quadrupled. Platinum demand has increased from 3.8 million ounces in 1992 to 6.37 million ounces in 2003 - a 60% increase.

PGMs unique physical qualities include (i) a high melting point; (ii) superior conductivity and ductility; (iii) a high level of resistance to corrosion; (iv) strength and durability; and (v) strong catalytic properties. Platinum, has numerous industrial applications and when combined with silver, provides an extremely conductive material. With growing concern for cleaner air, it is expected that concern over automobile emissions will continue to spread. This could have a marked effect on palladium usage and to an undetermined extent, platinum.

Approximately 60% of current world platinum production is used for industrial and manufacturing processes, most significantly for the manufacture of catalytic converters for the global auto industry. In addition to catalytic converters, industrial uses of platinum include the production of data storage disks, glass, paints, nitric acid, anti-cancer drugs, fiber optic cables, fertilizers, unleaded and high octane gasoline's and fuel cells. The balance of current platinum demand is for the production of jewelry, such as gem settings for rings, and for investment/collector coins. Supply and demand for platinum are essentially in balance.

SUPPLY

The primary production sources of palladium and platinum are mines located in the Republic of South Africa, which industry sources believe provided approximately 25% of the palladium and 74% of the platinum worldwide during 2002. The principal PGM mining companies in the Republic of South Africa are Anglo American Platinum Corporation, Ltd., Impala Platinum Holdings, Ltd. and Western Platinum, Ltd. Rhodium production is principally South Africa (60%) and to a lesser amount Russia (30%).

The second largest source of palladium and platinum is Russia, which industry sources believe provided approximately 64% of the palladium and approximately 17% of the platinum worldwide in 2002. Approximately half of this supply is believed to have come from stockpiles. Small amounts of palladium and platinum are also produced in Canada principally as a by-product of nickel and copper mining.

Supply of palladium is projected to be flat and may, in fact, decline in the future. In the past, the primary producer of palladium, Russia, has supplied over 64% of what is now an 8.4 million-ounce (demand) world market. Russia is believed to produce approximately 2.0 million ounces a year as a by-product of nickel mining, and the remaining supply has come from stockpiles accumulated over the years. The general consensus in the western markets is that the Russian stockpiles of both palladium and platinum have declined significantly and will be exhausted within the foreseeable

future. However, if it were to be determined that Russia's stockpiles of palladium and platinum were extensive, and if they still exist and were disposed of in the market, the increased supply could adversely affect the market prices of palladium and platinum.

In addition to these sources it is possible to recover PGMs from automotive catalytic converters acquired from scrap yards. A small but growing industry has developed, predominantly in North America, in the collection and recovery of PGMs from scrap sources, including automotive catalytic converters and electronic and communications equipment.

PRICES

The company's revenue and earnings depend upon world palladium and platinum prices. The company has no control over these prices, which tend to fluctuate widely. " The volatility of palladium and platinum prices is illustrated in the following table of the annual high, low and average prices per ounce.

THE HIGHS AND LOWS OF PRECIOUS METALS SINCE 1998

1998	Gold	Silver	Platinum	1999	Gold	Silver	Platinum
HIGH	\$317	\$7.50	\$432	HIGH	\$326	\$5.57	\$573
LOW	\$275	\$4.62	\$340	LOW	\$257	\$4.95	\$394
Difference	15.2%	62.3%	27%	Difference	26.8%	12.5%	45.4%

CURRENT PRICES 07-01-03

2003	Gold	Silver	Platinum	Palladium	Rhodium
Current Spot	\$352	\$4.65	\$678	\$195	\$500

SUMMARY

MORE RARE BY FAR THAN GOLD

All the platinum ever dug up would fit into a racquetball court. Yet this amazing metal is used in hundreds of critical applications. It's contained in—or used in the manufacture of:

- Computers
- Automobiles
- Airplanes
- Steel
- Jewelry
- Phones
- Fiber optic cable
- Paint
- Glass
- And much more.

In fact 20% of all the hard goods in the world are now dependent on the platinum metals group (platinum, palladium, osmium, iridium, rhodium, and ruthenium). In recent years, about one-third of the platinum mined has been snatched up by the auto industry for use in catalytic converters. And governments are now forcing auto-makers to put even more platinum in each converter.

In addition, platinum is part of the exploding hydrogen picture; it's critical for most hydrogen fuel cells, which will soon begin to displace the venerable, smelly old gasoline engine. That alone will price it in the ionosphere. It's already twice as expensive as gold, and it's likely we haven't seen the full impact of the ultimate demand yet. Within the last decade, platinum jewelry dealers have increased from 10 to 400 in the U.S., and from 100 to 20,000 in Japan. Much the same story exists about the manufacture of cell phones, computer hard disks, oil refineries, and a wide variety of military equipment, including jet fighters and other weaponry. They all "have to have it."

Adding greatly to the long, long list of industrial and military uses, investors are collecting platinum coins—another way to add to the shortage! The chance of finding some big new mine full of platinum? Well that's another question.....with the old technology for recovery, ten tons of ore from the richest mines yield barely an ounce of platinum. But with the new technology being developed today with new techniques for testing beyond the likes of ICP emissions spectroscopy results can now be obtained that were unavailable just a few short years ago.

Even the more sophisticated testing equipment like the ICP/MS (mass spectrometry) can't see the platinum in samples tested. Nor can lead fire assay, neutron activation, nickel sulfide fire assay, or even atomic absorption analytical methods. So all the so-called testing done on these materials over the years have shown nothing, zip, nada, zilch. Until very recently! As a result Copper State Analytical "registered assayers" in the State of Arizona, have been able to assay and calculate these precious metals in ore bodies using techniques now accepted in the "nano-technology" fields of science. This has been further identified by MTB of Littleton, CO.

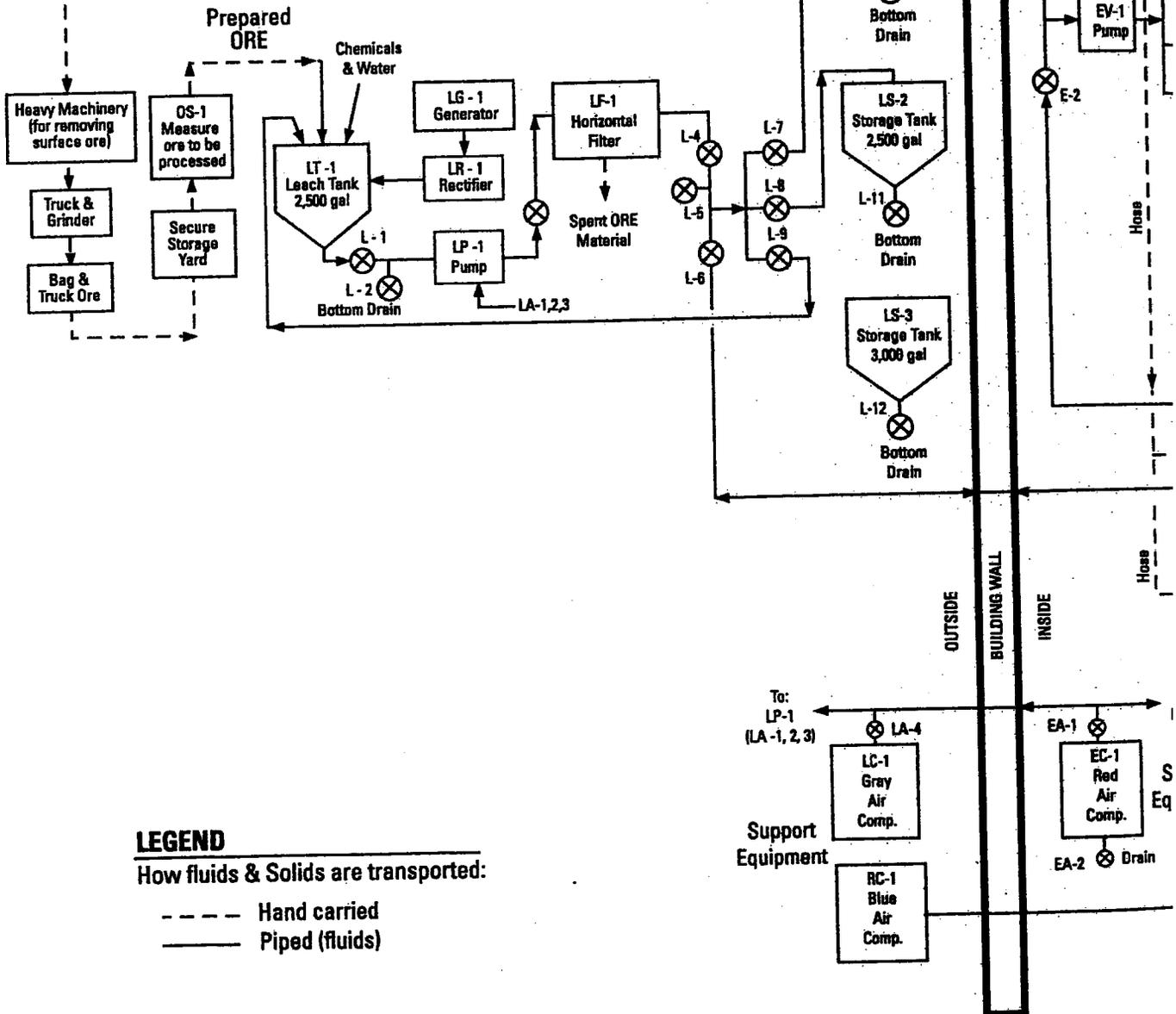
Fortunes will be made in platinum and the PGM metals market as noted before. We are on the cutting edge of this technology and have made huge steps in a very short period of time to keep the door from closing.

Agra Technologies, Inc.

William J. Pierson, CEO



Ore Material
(Cinder Cones, Etc.)



STAGE - 1

"Ore"
(Procedures: PO)

STAGE - 2

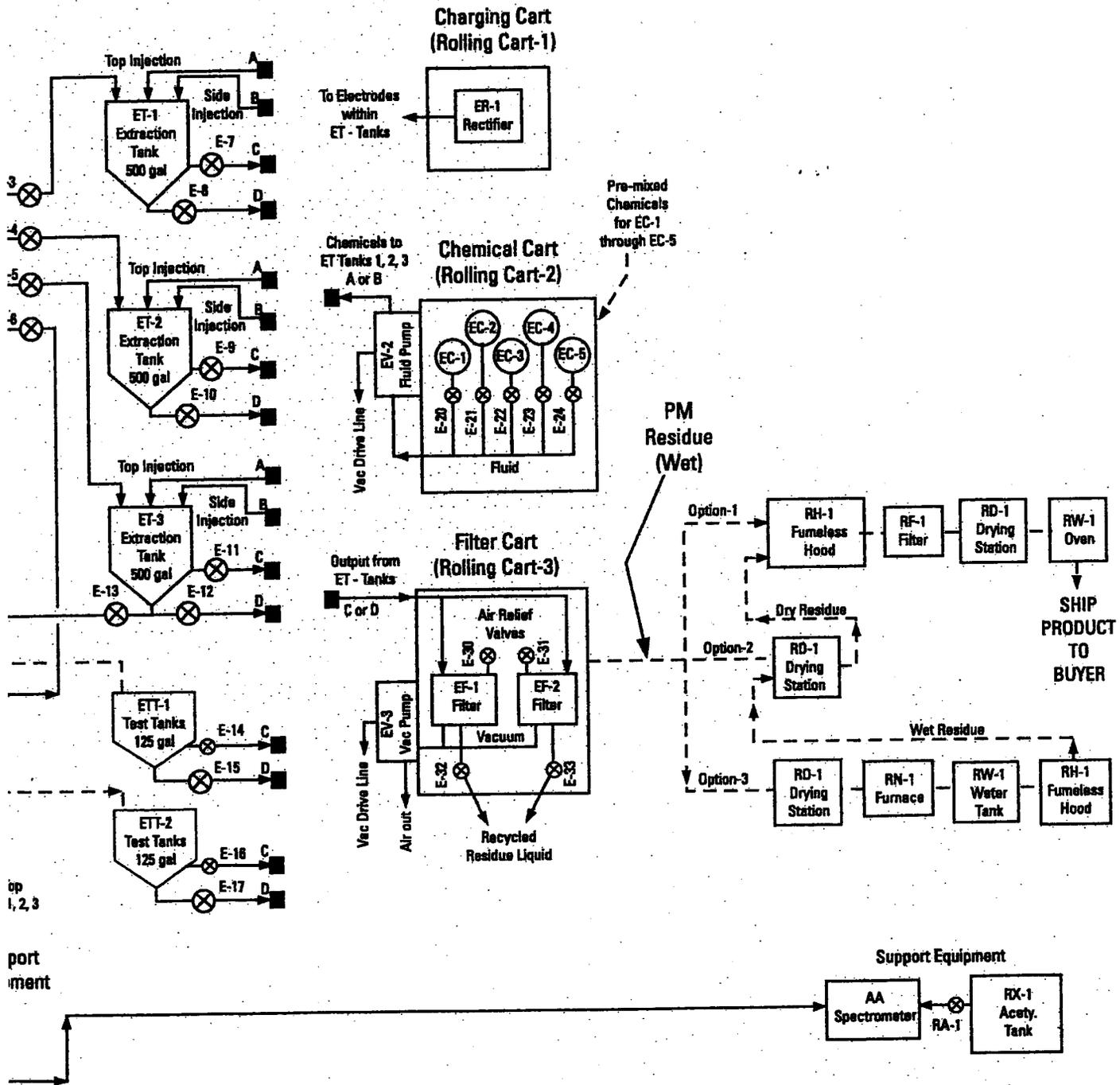
"Leaching"
(Procedures: PL)

ACC015326
AGRA TECH.

LAB EQUIPMENT

(With Nomenclature)

9/16/02



op
1, 2, 3

port
ment

STAGE-3

"Extraction"
(Procedures: PE)

STAGE-4

"Refining"
(Procedures: PR)

Agra Technologies, Inc.

SUMMARY OF OFFERING 2003

UNITS AND SERVICES OFFERED

This offering of 1500 units Agra Technologies, Inc.'s Platinum Recovery Project is located in Flagstaff, Arizona.

It is anticipated that this offering could include another 1500 units depending on circumstances prevailing. In the event that this becomes a reality, those participants first participating in the original Units will receive "first right of refusal" on the subsequent units.

PRICE FOR RIGHT'S OF UNITS AND SERVICES

1. The right to obtain any precious metals from Agra Technologies, Inc.'s aggregate (50 tons) is offered at \$10,000 per unit for:
 - a. 100% of the first \$50,000 of precious metal recovered from the PRINCIPALS tonnage, 20% of the next \$100,000 and 10% of the remainder of the profits from MINERS' processing of the ore.
2. This agreement also allows for the development and processing of the mineral aggregate at the price of \$200 US per ton or \$10,000 per unit. The PRINCIPAL (right's owner) of the mineral aggregate's precious metal may upon their election take the 50 tons and select another mining company to process the material. In this case, no further obligation from Agra Technologies, Inc. is warranted or necessary.
3. All recovery of precious metal will be accounted for in accordance with the companies' normal processing procedures. A copy of the processed amount of product will be supplied to the PRINCIPAL at the end of his run, showing the date processed, amount processed and rate of recovery according to atomic absorption calculations. Final results will be determined upon the refining and meltdown of the "cake" with final determination on recovery made at that time. The PRINCIPAL can elect to take the platinum or an amount of US funds at the current LME exchange rate.

RISK FACTORS

It is common for business transactions to contain some element of risk and the prudent person will weigh the relative benefits against the relative risks assumed. Potential PRINCIPALS are urged to make their own determination regarding their ability to assume any risks.

CONFIDENTIAL

TAB 1

Pages 26 - 28

**ACC015329, ACC015330 &
ACC015331**

Resumes of Key Management

**William J. Pierson
6710 Lynx Lane
Flagstaff, Arizona 86004
520-714-9401**

Personal Data:

Born 1943 Oklahoma City, Oklahoma

High School: 1962 Graduate of Arlington High, Arlington, TX

Military: 1962 to 1965 Served honorably in the U.S. Navy aboard the aircraft carrier USS Bon Homme Richard CVA 31.

College: 1970 BS Degree in Marketing from San Diego State University.

Activity Interest:

Spectator sports: Football, Baseball, and Basketball.

Sports participation: Golf, Cycling, Swimming, Hunting, Camping, Skiing, Fishing, and Boating.

Social Interest: Theater, Musical Concerts, Dinner Parties, and Special Events.

General Background:

U.S. Navy from '62 to '65, attended Citrus College '65 to '67. Listed on the Deans' Honor Roll, and received an AA degree in business in 1967. Captain of the football team, and a field track letterman. Attended San Diego State University and earned a BS in Marketing. A leader on and off the field, voted the most valuable lineman and College All American.

Business Background:

1996-Present

Entrepreneurial skills applied to the research and development of material resources, processes and technologies related to sustainable agriculture. Formed a small group of investors, acquired identified material resources, and have been in the process of matching a business plan to select financial interests. Modifications to the current business have been made in conjunction with recognized and necessary change. Mr. Pierson's featured business expertise is best illustrated in his capacity to recognize a broad spectrum of business values from personnel to profitability.

1989-1995

Mr. Pierson was active in business acquisitions, and related developmental aspects of several companies. These encompassed land development, mining and manufacturing. The companies were both privately and publicly held. Business skills were applied in international contract negotiations, financial analysis, feasibility studies, and marketing profiles. The companies were Mariah International, Inc., Mark VI, Sportsflex and R.O.T.E. Marketing. Interest in these companies was held as an officer, director and a shareholder.

1984-1989

Exec. V.P. Bauska Manufacturing: Mr. Pierson expanded the existing business, assisted with the plans for several new, but related business ventures. Developed Corporate Offices, literature, mail order catalogs, advertisements, ad campaigns, and national sales networks.

1975-1983

Mr. Pierson was Vice President, and a major shareholder, of the leading wholesale roofing supply company in California. He managed 14 long haul trucks, 5 local delivery trucks 45/50 employees, ordered the majority of product inventory, its pick up and delivery and was responsible for or coordinated the majority of the sales. Sales grew from \$9 million in '75 to \$24 million in '83. Held financial interests in and served on the board of several other businesses.

EXTRA CURRICULAR

Mr. Pierson is the recipient of awards from, and has been called upon to speak to, the Exchange Club, V.F.W., American Legion, Eagles, Lions, Billy Graham, the Freedom Foundation and others. He has served on several boards, committees and councils. He has put together major fundraisers, association golf tournaments and regional seminars.

RICHARD A. CAMPBELL
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Peoria, Arizona 85382
623-487-1371 ph/fax
Email: smoky949@earthlink.net
Cell: 949-689-4186

30 years of experience in sales, marketing and administration. Excellent verbal and written skills with the ability to communicate effectively at all levels of business. Mr. Campbell has written many articles on remineralization and sustainability.

I. PROFESSIONAL EXPERIENCE

1995-Present

Active in business start-ups, acquisitions, mergers, with both public and private companies. Developed business plans for several firms, negotiated mergers with Triumph Steel, Aimco, and has prepared business plans for Agra Technologies, Inc. which he is a major shareholder and Gumat Technologies, Inc., for which he is a Officer, Director and major shareholder, D & B Enterprises International, LLC and Eureka Technologies for which he is an Officer and shareholder.

1992-1995

Officer/Director of Mariah International, Inc., and Guild Mark Industries, Inc. (MG Resources, Inc. NASDAQ) Vice President, Special Projects and Corporate Secretary for both companies. Oversaw daily operations and was responsible for many of the company's major decisions. Also Director of Operations for Merrill Crater Mining and Minerals LLC. Responsible for the construction of a pilot plant facility to test microscopic ores that contained precious metals. Plant was built within both time constraints and financial considerations.

1989-1992

Developed SportFlex, a fundraising vehicle for amateur sports at the college level, and was involved in the sale and administration of this program to alumni supporters at many universities across America. This program was sold to American National Life.

1987-1989

Joined Metmor Financial, a division of Metropolitan Life, as a consultant to market, sell, and administer group insurance products to existing client base, using flex benefits including pension, 401(k), life, Health, Dental and other group products.

1977-1987

Started R.A. Campbell Company and was one of the most successful group insurance marketing and flex administration specialists in California. Author of "Employee Benefit Programs and Their Sale to the Consumer."

- 1975-1977 Advanced from Sales Manager to Vice President of Marketing at Pacific Allied Insurance, Inc. Wrote more business than any other individual in the history of the group insurance business and responsible for over 500 sales and \$13,000,000 in premium.
- 1973-1975 Sales representative for Pacific Mutual Life Insurance Company and as a new group underwriter, wrote more group medical and dental business than any other sales representative had ever written with Johnson & Higgins. Cultivated in excess of 50 brokers who requested his assistance in the sale/administration of products.
- 1967-1973 Dental consultant for the L.D. Caulk Company with his area the nation's number one in sales. In 1972, wrote more business at the National Dental Association meeting in San Francisco, California than any other consultant in the company's history. Responsible for sales/marketing efforts of 140 salespeople.

II. EDUCATION

BS Business Administration, University of Redlands, Redlands, CA
La Salle University School of Law, Chicago, IL
University of California, San Diego, CA

Author of The Earth, the Soil, the Solution, a treatise on soil remineralization. Mr. Campbell is considered a specialist in the area of soil remineralization using highly mineralized igneous basalt rock ground to a specific specification in lieu of manufactured chemicals for fertilization in a growing soil medium to create "good tilth" for the soil.

Boris V. Levinsky, Ph.D

Date of birth: 15 January 1935 , city of Leningrad, Russia

Education:

1952-1957 Irkutsk State University, Irkutsk, Russia

Chemical faculty.

1960-1964 Moscow State Institute of Rare Metals , Russia

Advanced studies, research and confirmation of the degree "Master of Sciences".

1982-1983 Moscow State Institute of Chemical Technologies, Russia

Advanced studies, research and confirmation of the degree "Doctor of Sciences".

Professional experience:

1957-1969 State Research Institute of Rare Metals. Irkutsk, Russia

Researcher, Senior Researcher

Started Scientific career and advanced research on the subject "Flotation and Beneficiation of Ores". During these years has created and developed new flotation reagents for the mining industry of the former Soviet Union. Has created and developed new flotation technology of Barytes Ores in 1959, on the base of this research work has confirmed the degree "Master of Technical Sciences".

1969-1974 State Medical Institute. Irkutsk, Russia

The Dean of Chemistry and Physics faculty

In 1969 was invited to the State Medical Institute to teach General Chemistry and develop experimental facilities for advanced students. Main subject during those years was Colloid Chemistry. Also has started Scientific research on the subject "Potential of Reductive-Oxidative processes in early diagnostics of cancer".

1974-1996 State Research Institute of Rare Metals. Irkutsk, Russia

The Head of the Laboratory of Physics and Chemical Research

Realized State order to create and set up technology to protect Gold mining grounds from seasonal frost in the Northern Regions of the former USSR. Further, this technology was sold by the former Soviet Government and successfully set up in China. At the same time with the group of colleagues developed technology of insulation material manufacturing for the Construction Industry of the former USSR. Presently, this technology is widely used in the Northern Parts of Russia. This research confirmed the degree "Doctor of Technical Sciences". During these years seriously started the research in the field of production and usage of Humic Acids and their Salts. In 1993 has discovered and developed the New Technology of Humic Acids conversion into Humic Acid Salts. This discovery has allowed to start commercial manufacturing, development and wide usage of Highly soluble Humate products in Agriculture.

1996 -2001 Gumat Limited Irkutsk, Russia

Director and founder. Inventor of "Gumat / Humates technology manufacturing"

Main Business: Manufacturing, supply and export of Potassium / Sodium Humates and other Humate related products.

Scientific research: Continues and Finances advanced scientific research of Humic Acids and their influence on the system "Plant-Water-Soil", with colleagues - scientists from Irkutsk State University. During 3 years of the constant research and manufacturing has developed 5 new products, successfully supplied at the Russian market. Set up and finances experimental base in Eastern Siberia under the supervision of the representative of Ministry of Agriculture of Russian Federation.

2001 TeraVita Limited, Lancaster, PA, USA

Director of the research

Realization of the Russian "know-how" of manufacture six humic preparations, research on restoration infected soils and problem areas in golf clubs.

2003

Dr. Levinsky



Dr. Levinsky holds over 60 patents/inventions. Among the more notable are:

1. N229352, USSR, "The Flotation Method of Apatite and Gold Separation."
2. N331612, USSR, "The Flotation Method of Sulfide and Gold Ores."
3. N832819, USSR, "The Method of Foam Separation."
4. N890680, USSR, "The Method of the Selective Desorption Ions of Metals from Water Solutions."
5. 916414, USSR, "The Appliance for Foam Concentration."
6. 369263, USSR, "The Method of Protection Mining Grounds from Seasonal Frosts."
7. USA Patent N4199547, Canadian Patent N1123564, German Patent N2752311, "The Device for Foam Plastic Manufacturing."
8. N2036190, Russia, "The Manufacturing Technology and the Application of Humate products."
9. N2104988, Russia, "The Manufacturing Technology of Humate Fertilizers."

During his professional life Dr. Levinsky has developed a strong working relationship with the owners of D & B Enterprises International, LLC and is available to assist in any of the areas of his expertise at a moment's notice. He currently resides in Moscow, Russia and visits the US several times a year to visit with his friends in Arizona.

ACC015338
AGRA TECH.

TAB 2

Section 5 - Ore Rights and Mining Agreement Description:

No advertising was planned, prepared, or implemented regarding the Ore Rights and Mining Agreement by Lawrence K Paille or Jerry Hodges. This includes advertisements, announcements, circulars, commercials, infomercials, audio recordings, or conference calls in any media including newspapers, trade journals, magazines, radio, television, or internet.

Agra-Technologies, Inc. had prepared a brochure that was provided to prospective investors that requested more information. Very few brochures were handed out by Lawrence K Paille, since the vast majority of the investors were from Timothy Thomis' client base.

Before Timothy Thomis death on May 29, 2005, 300 contracts were executed for 783.5 units from 178 investors for a total amount of \$7.835M.

After Timothy Thomis death, Lawrence K Paille and Jerry Hodges handled an additional 26 contracts for 105 units from 24 investors that had previously purchased contracts through Timothy Thomis. The dollar value of these contracts was \$1.050M.

Jerry Hodges closed an additional 33 contracts for 62 units from 26 new investors for a total amount of \$620K.

Lawrence K Paille closed an additional 10 contracts for 22 units from 9 new investors for a total amount of \$220K. These additional investors were either acquaintances or were referred by other investors or friends.

The above information was compiled on 03-Oct-2006 from the latest revision of the log file (MiningContractSortList14). A copy of that file, along with all previous revisions is provided.

When an investor requested more information, typically the following information was provided:

- Project brochure prepared by Agra-Technologies, Inc.
- The last two updates prepared by Jerry Hodges and Lawrence K Paille
- A data CD which included the ore contract and a business plan presentation

The Ore Rights & Mining Agreement was never promoted as a purchase of equity in Agra-Technologies, Inc.; it was a purchase of ore with an agreement to have Agra-Technologies, Inc. process the ore and split the proceeds per the formula in the contract.

A copy of all the above information is provided in hard copy or electronic form.


Lawrence Kevin Paille

03-Oct-2006
Date

CONFIDENTIAL

TAB 3

Pages 1 - 4

**ACC075084, ACC075085,
ACC075086 & ACC075087**

TAB 4



Paille



ACC006988
AGRA TECH.

Precious Metal Recovery



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AGRA TECHNOLOGIES, INC.

HISTORY OF COMPANY

Rhodium, palladium and platinum were discovered in the Sheephill cinder by Galleon Technology & Development Corporation geologists in early 2000. In 2002 -2003 they re-confirmed the discovery and an alliance with Galleon to develop PGMs discovered in the Sheephill deposit commenced. Additional testing at Galleon's Phoenix, AZ facility for PGMs on the Sheephill deposit were implemented with similar-positive results, and Agra Technologies, Inc. agreed to develop a program for implementation of a facility in Flagstaff, Arizona in the ensuing months. It is expected that Glory Enterprises LLC will assist in the preparation and delivery of up to five (5) million tons of cinder material from the Sheephill Cinder Resource owned by ATI. Glory contracted the delivery of the minerals to Agra Technologies, Inc. (ATI) and will transport the cinder to its facilities, which will be constructed for recovery of the PGMs in late 2003 or early 2004. ATI, has an agreement with Glory Enterprises LLC on the mineral rights and will receive a portion of all profits derived from any PGMs in the cinder.

Agra Technologies, Inc. (ATI) (a Nevada Corporation) was started by individuals who were looking at the possibility of entering into the mining/natural mineral fertilizer industry back in 1990. During this time the two Officers inspected and tested a number of volcanic mining properties. As a result of investigations with others in the precious metals industry, ATI intends to construct an ore processing mineral extraction facility close to the Sheep Hill property in Flagstaff, AZ. The building site has access to utilities and will be operable on a year-round basis.

Once the precious metal is extracted and the contract owners are compensated, ATI will utilize the "by product" left from the extraction process and sell it to the agricultural market. ATI currently produces a natural soil amendment for the agricultural industry, and will obtain licensing agreements and manufacturing rights to produce a list of products for the backyard gardener, and commercial growers and will also supply base product to a number of manufacturer's, for inclusion in their fertilizer formulations.

ATI will also work with Gumat Technologies, Inc. through a relationship developed by officers in the company. This will provide ATI, with Gumats' products, formulations and alliances with its manufacturer's. This progress evolved as a result of the term "sustainable agriculture," a term the scientific community used that indicates the condition of the earth as an agricultural producer.¹ Scientist, soil ecologist and global governments are all examining the many avenues and alternatives for establishing sustainable agriculture. It is a common consensus, that if we are going to be capable of feeding a growing world population, we must discover how to produce better soils to grow our crops. Testing is currently underway at the USDA in Bethesda, MD using a combination of humate, Agramin, kelp and fish showing increases in vitamins, minerals, beta-carotene, protein, oil and sugar for nutrition

STRATEGIC PLAN

The management of Agra Technologies, Inc. is interested in the development of several properties in Northern Arizona. They are convinced that a very high recoverable precious metal content exists within the properties cinder material and both internal and external testing from recognized third party sources confirm this assumption.

ATI will work with the precious metal recovery allies it has developed over the past seven years to implement a leach recovery processes capable of initially operating at 40 tons per day, and easily increased to 100 tons per day.

¹Soil Remineralization and Sustainable Agriculture, Speaker Abstract, May 1994, USDA, Beltsville, MD. Interview with Dr. Robert Bruck on the state of the Appalachian Forests and Remineralization, Remineralize the Earth, Issue 3, 1992.



SCIENTIFIC DATA

ATI has spent considerable resources in testing the precious metal content of its material. As a result of new technologies that have been developed in the last seven to ten years, negotiations have taken place to work with one of the developers of this "special technology" to recover heretofore unobtainable precious metal.

A Technical Advisory Board is being implemented to assist in the decisions regarding the results from assays and other metallurgical testing conducted over the past few years. This Board will work with the heads of the companies to develop a sound program for implementation of a plant capable of producing the required results for commercial application.

MARKETING

Precious metals sales will occur through the sale of product to the refinery, at a discount to offset any additional costs for external charges to the company for marketing. Profits from the sale of the company's precious metal will provide ATI with additional income to further expand its production of "natural" products for agriculture.

MISSION

ATI will continue to work to develop effective alternatives to manufactured chemical products for agriculture, yard and garden. Its natural products will respond to the needs of both the productive capacity of agriculture and the worldwide demand for fertile soil, clean air and water. It will also introduce a grinding technology that will revolutionize the methods currently used to produce fine grind products, at a reduced cost to the producer, and either a cost savings to the consumer or a much higher profit margin to the company. Both of these developments will be assisted by the extraction of precious metals.

MINERALOGICAL ASPECTS OF SHEEP HILL

These properties are basically composed of aphanitic to porphyritic vesicular olivine basalt. The basalt contains phenocrysts of hypersthene and olivine surrounded by a groundmass of andesine, augite, and opaque minerals. A typical model analysis indicates that the basalt contains the following minerals:

ORTHOPYROXENE	A mineral group with a general formula of $ABSi_2O_6$ where A is Mg, Fe, Ca, and Na. B is Mg, Fe and Al. The chief elements are magnesium, iron, calcium, sodium, aluminum, oxygen, and silicon.
PLAGIOCLASE	A mineral group with a formula of $(Na, Ca) Al (Si, Al) Si_2O_8$. The chief elements are sodium, calcium, aluminum, silicon, and oxygen.
OLIVINE	A mineral series with a solid solution series that range from Mg_2SiO_4 to Fe_2SiO_4 . The chief elements are magnesium, iron, silicon and oxygen.
BIOTITE	A mineral with a formula of $K (Mg, Fe) (Al, Fe) Si_3O_{10} OH_2$. The chief elements are magnesium, potassium, iron, aluminum, silicon, oxygen, and hydrogen.

CHEMICAL ANALYSIS

The United States Geological Survey (USGS) has conducted numerous chemical analyses of the basalt cinders that occur in the Sheep Hill, Wild Cat Hill, and Cochrane Hill areas. Chemical analyses of the major elements (weight percent) indicate the basalt contains silicon, aluminum oxides, iron oxides, magnesium oxides, calcium oxides, potassium oxides, titanium oxides and manganese oxides.

Quantitative spectrographic analyses indicate the basalts in the San Franciscan volcanic field contain the following elements: silver, copper gallium, manganese, chromium, boron, cobalt, nickel, barium, strontium, vanadium, scandium, yttrium, zirconium, rubidium, zinc, niobium, lanthanum, and cesium.

The PGMs, which consist of palladium, platinum, rhodium, iridium and ruthenium are concentrated in at least three principal layers along with small amounts of nickel, copper, silver and gold. The Sheephill appears to form a continuous layer, which is exposed on all sides in a cylindrical shape, much like an ice-cream cone. It appears the PGM grade of the Sheephill is significantly higher than that of the Merensky Reef in South Africa's Bushveld Complex, or the J-M Reef in North America, known as the Stillwater Mining Co. Mine. This was thought to be the only mine of its type outside of South Africa and Russia until just recently. Their reserves are based on a cut-off grade of 0.3 ounce to 0.4 ounce of palladium plus platinum per ton of ore.

Soil Scientists indicate that **basalt supplies the essential nutrients for a balanced soil, which is said to be fertile.** To balance the soil, 13 nutrients have to be present which includes nitrogen, phosphorus, potassium, calcium, magnesium, sulphur, iron, manganese, zinc, copper, boron, molybdenum, and chlorine.

Much of this information was obtained from reports submitted to the U.S. Department of the Interior Bureau of Mines, and the Mineral Land Assessment Open File Report, 1992. The reference is titled Mineral Resource Appraisal of the Coconino National forest, Arizona, by Michael E. Lane MLA 11-92 Intermountain Field Operations Center, Denver, CO.

**CHEMICAL COMPOSITION
OF THIS
VOLCANOCLASTIC MATERIAL**

NORMATIVE COMPOSITION

MINERAL	CHEMICAL COMPOSITION	PERCENTAGE
Orthoclase	KAlSi_3O_8	10.11%
Albite	$\text{NaAlSi}_3\text{O}_8$	26.19%
Anorthite	$\text{CaAl}_2\text{Si}_2\text{O}_8$	20.01%
Diopside	$\text{CaMgSi}_2\text{O}_6$	17.28%
Olivine	$(\text{Mg, Fe})_2\text{SiO}_4$	13.25%
Nepheline	$\text{Na}_4\text{Al}_3\text{Si}_3\text{O}_{10}$	5.66%
Magnetite	Fe_3O_4	2.32%
Ilemenite	FeTiO_3	2.32%
Apatite	$\text{Ca}_5(\text{PO}_4)_3(\text{F, Cl, OH})$	1.53%

MAJOR OXIDES IN WEIGHT PERCENT

OXIDE	USGS ANALYSIS	CHEMEX ANALYSIS
SiO ₂	49.62%	62.60%
Al ₂ O ₃	16.31%	16.10%
Fe ₂ O ₃	1.60%	3.10%
FeO	8.15%	
MgO	6.34%	0.83%
CaO	9.15%	1.66%
Na ₂ O	4.33%	3.10%
K ₂ O	1.71%	3.86%
TiO ₂	1.94%	
MnO	0.20%	0.85%
Cr ₂ O ₃		0.04%

The Sheephill is a 122.14 acres, consisting of an estimated 30 million cubic yards (36 million tons) of cinder material (as indicated in the appraisal report prepared by Maynard & Associates, Inc. and Mr. Earl Runte). The site is almost square in shape, with dimensions of 2,230 feet by 2,310 feet. This cinder cone raises approximately 520 feet above surrounding properties.

All necessary utilities for development are available to the subject and are supplied by the city. The subject being a hill raising 520 feet above all surrounding properties, it is not located within a special flood hazard area.

PGM ORE RESERVES

While it is not possible to project "proven" reserves, it is relatively easy for us to calculate a minimum of approximately 10 million yards of material with "economically viable" PGMs in place. This is based on the testing of over 100 tons of material in a horizontal plane of approximately 60 feet in height and 2000 feet in length by 2000 feet in width (240,000,000 cu. Ft. / 27 X 1.2 = 10 Million tons) on the Sheephill.

The company will engage the services of MTB, Inc. of Colorado, independent consultants, who are experts in mining, geology and ore reserve determination, and will utilize Behre Dolbear to carry out independent reviews and inventories of the company's ore reserves commencing with production in 2003.

ORE RESERVES (1)

- (1) Reserves are defined as that part of a mineral deposit that can be economically and legally extracted or produced at the time of determination and is customarily stated in terms of "ore" when dealing with metals. The probable reserves are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are between 50 and 1,000 feet apart. The degree of assurance, although lower than that for proven reserves, is sufficient to predict the geological regularity of the hill between points of observation.
- (2) Total probable reserves include 10 million yards, which has been identified geologically but not yet established as proven. Because of the expense of the close-spaced drilling necessary to generate proven mining reserve estimates, the company will generally attempt to establish sufficient reserves to support its mine development objective of approximately 18 months of production.

CURRENT (and projected) OPERATIONS

AGRA TECHNOLOGIES, INC. - PROCESS FACILITY

The company's current operations are located at the Dodge Ave., Flagstaff facility, adjacent to the Sheephill cinder deposit in Flagstaff, AZ. In addition, the company expects to construct and maintain 10,000 square feet of buildings, which will contain shop and warehouse, changing facilities, head-frame, hoist house, paste plant, storage facilities and office. All structures will be located within its 26 acre operating permit area at the 66 Leupp Road – Water Station location approximately 10 miles east of Flagstaff. The Sheep Hill is located approximately 5 miles east of downtown Flagstaff, AZ and is accessed by a paved road. The company's processing facility will have adequate water and power from established sources.

MINING

The Sheep Hill cinder deposit will be "mined" by, Glory Enterprises LLC, who will provide us with "sized" material of 3/8ths minus for additional grinding at our Leupp Road facility. This will reduce haulage costs, improve material handling of ore and improve grinding capabilities for the next phase of the operation.

Once the PGM's are processed, the remainder of the finely ground material will be processed, mixed with humate when applicable and bagged for use in applications associated with commercial agriculture and home gardeners. Virtually all of the processed material will be used for this purpose with very limited waste as a result of the process. The company will maintain a permitted waste disposal site on location for any material that is not capable of being used in these applications.

Costs per ton for the sizing, delivery stacking are extremely inexpensive and it is anticipated that these costs of \$3.50 per ton will remain constant for the foreseeable future.

PRODUCTION

The company expects to be capable of producing approximately 116,800 ounces of Platinum at the new facility, during the first year year of operation. In conjunction with the 2003-2004 facility an Expansion Plan is being formulated for early 2005. This will allow for the rate of increased mining development on the existing levels of the Sheep Hill as well as new levels accessed from additional testing.

The company projects its cash production costs to be under \$200 per ounce in 2003. The company's total capital expenditures for the expansion of the facilities at the 66 Leupp Road location are approximately \$3.5 million. Based on production estimates, the company expects to generate in excess of \$58,000,000+ in revenue during its first year of operation.

GRINDING

ATI has recently purchased a grinding system from D & B Enterprises International, LLC who has spent years in R&D developing the various component parts necessary for a "complete" grinding system capable of utilizing materials of different hardness for processing. This system, from Australia, called the Alligator Mill System™, is a high-speed wind swept impactor unit with only one moving part. Raw product feed size for this mill is 25 mm and a magnetic separator belt is fitted to the feed conveyor to reduce the risk of foreign metals entering the mill causing damage. The interesting feature of this particular type of mill, is the particle shape, due to the high speed impacting on the product within the mill, particle shape is more rounded (spherical) with sharp edges, without the slimes produced by the traditional ball mills.

Pulverization is achieved by material to material impacting with hammer speeds of 90 – 100 meters per second, and accelerated particle speeds of up to 200 meters per second. An artificially induced complex vortex, by virtue of the design of this mill, causes instant size reduction without the use of screens.

This "system" is a complete working unit with all the extras such as feed conveyor and dust collector, including ducts and exit conveyors. Thus allowing for expedient connection to the electricity (mains) and an efficient start of production of our product without worrying about how we are going to make it work, or how to set up the operation. This was a major consideration for us since the portability of the system is a major benefit in its application for "on site" grinding of specialized materials for use in agriculture, and other applications. This has resulted in the company's planned utilization of one of these systems for each of its business products; PGMs, humate, minerals, and micro lime grinding.

The company has determined a preliminary estimate of the operating and capital costs for an Alligator Mill System™ associated with the design, engineering, construction and start-up of a one and one half-to two ton per hour (1.5-2 TPH) facility. The cost estimate was prepared with consideration for industry costs of equipment, availability of material at a grind able feed size, and overall accessibility. The company has modified and improved its approach to materials processing, as continued research and planning has warranted. This on-going effort will allow the company to spend less on depreciating heavy equipment, put more dollars into appreciating real estate/operating facilities and provide a greater cash position. D & B purchased the Alligator Mill System™ in September 2002 and it was delivered and commissioned at the 66 Leupp Rd. water station in early November 2002. A standby order has been placed for a 10 ton/hr unit, specifically designed to meet the needs of ATI.

LEACH RECOVERY TECHNOLOGY

Agra Technologies, Inc. maintains a privacy agreement with its technological allies, and therefore is not able to disclose the methods used in the recovery process. However, the basic events consist of the ore being fed into the leach tank after being ground to a minus 400 mesh for liberation of the PGM-bearing sulfide minerals from the rock matrix.

Various reagents are added to the slurry to separate the valuable sulfides from the complex mineral content in a leach circuit. In this circuit, the sulfide minerals are freed to accumulate in a stable environment. Several other influences are brought to bear upon the material from this point on. Attraction, filtration and concentration are a few of the insights from historically standardized processes which we are applied. The concentrated material, which represents approximately 1% of the original ore weight, dried, treated and transported to the refiner. The remainder of the ground complex minerals are then removed from the leach circuit and stacked for further drying and bagging.

METALLURGICAL COMPLEX

Base Metals Refinery. The base metals refiner will have a capacity equivalent of more than 5 tons of ore per day, of mine production. Even though mine production will be ramped up during the 2004 year, the base metals refinery selected will be able to maintain the turn around time schedule we have initially established.

EXPLORATION ACTIVITIES

The company's current plans are to continue to focus on its current PGM reserves and mineralization on the Sheep Hill rather than exploring for or attempting to acquire additional developed or undeveloped ore reserves. Consequently, exploration does not represent a significant expenditure for the company's future.

SALES AND HEDGING ACTIVITIES

Platinum is sold to a number of consumers and dealers with whom the ATI has established trading relationships. Refined PGMs 9999% purity in sponge form or bar form will be transferred upon sale from the company's account at third party refineries to the account of the purchaser. Customers, brokers or outside refiners will purchase by-product metals at market price.

The company may enter into hedging instruments from time to time to manage the effect of price changes in palladium and platinum on the company's cash flow. Hedging activities typically consist of

"spot deferred contracts" for future deliveries of specific quantities of PGMs at specific prices, the sale of call options and the purchase of put options.

From time to time, the company may enter into short-term delivery contracts. The company expects to develop credit agreements with its major trading partners that provide for margin deposits in the event that forward prices for platinum exceed the company's hedge contract prices and their credit lines.

SAFETY

In order to develop a favorable trend, management will implement additional safety training programs and will vigorously apply the "Neil George Five-Point Safety System," which is well known to the underground hard rock mining industry. This program encourages daily interaction between employees and supervisors with a specific focus on safety and requires subsequent documentation of that interaction. Management believes that zero tolerance in accident frequency is achievable.

Safety is a primary concern of the company, and it believes that training is a key element in accident prevention. Eighty hours of safety training will be required before inexperienced employees may start working in any hazardous areas, and yearly retraining in first aid, accident prevention techniques and equipment handling are mandatory for each employee.

EMPLOYEES

As of December 31, 2003, ATI expects to have employees in the following areas:

AREA	NUMBER OF EMPLOYEES (Pilot Plant 6 month operation)
Mining	1
Processing	2
Maintenance	1
Technical Services	1
Safety and Environmental	
Administration	2
Miscellaneous	<u>1</u>
Total	8

Management believes its employee relations will be good and believes its wages; benefits and working conditions will be competitive with other mining operations of this type.

REGULATORY AND ENVIRONMENTAL MATTERS

General: The company's business is not subject to extensive federal, state and local government controls and regulations because is not directly involved in the "mining" business. ATI is a mineral processor with essentially all of its by-product used for other applications either in agriculture or as an added value to other types of soil enhancers like humates, lime or even NPK fertilizers.

COMPETITION: PLATINUM MARKET

THE FOLLOWING DESCRIPTION OF RECENT EVENTS RELATING TO THE PLATINUM MARKET IS NOT INTENDED TO BE COMPLETE, AND READERS ARE ADVISED TO OBTAIN THEIR OWN INFORMATION AND ADVICE REGARDING THE COMMODITIES MARKETS.

GENERAL

Platinum is a rare precious metal with unique physical qualities that are used in diverse industrial applications and in the jewelry industry. The company knows of no economically viable replacements for PGMs in a number of key technological and industrial applications. The development of a less

expensive alternative alloy or synthetic material, which has the same characteristics as PGMs, could have a material adverse effect on the company's revenues. Although the company is unaware of any such alloy or material, there can be no assurance that none will be developed.

Agra Technologies, Inc. competes with other suppliers of PGMs, some of which are significantly larger than the company and have access to greater mineral reserves and financial and commercial resources. See "Supply" below. In addition, new mines may open over the next several years, increasing supply.

Furthermore, in certain industrialized countries, an industry has developed for the recovery of PGMs from scrap sources, mostly from spent automotive and industrial catalysts. In spite of these conditions, the company will be successful in competing with these existing and emerging PGM producers because of its low production and capital equipment cost.

DEMAND

Demand for platinum, palladium and rhodium have increased since 1992, but the increased demand for rhodium and palladium has been much more dramatic. Demand for palladium has grown from 3.9 million ounces in 1992 to 8.4 million ounces in 2000 – more than double in eight years and the demand for rhodium has more than quadrupled. Platinum demand has increased from 3.8 million ounces in 1992 to 6.37 million ounces in 2003 - a 60% increase.

PGMs unique physical qualities include (i) a high melting point; (ii) superior conductivity and ductility; (iii) a high level of resistance to corrosion; (iv) strength and durability; and (v) strong catalytic properties. Platinum, has numerous industrial applications and when combined with silver, provides an extremely conductive material. With growing concern for cleaner air, it is expected that concern over automobile emissions will continue to spread. This could have a marked effect on palladium usage and to an undetermined extent, platinum.

Approximately 60% of current world platinum production is used for industrial and manufacturing processes, most significantly for the manufacture of catalytic converters for the global auto industry. In addition to catalytic converters, industrial uses of platinum include the production of data storage disks, glass, paints, nitric acid, anti-cancer drugs, fiber optic cables, fertilizers, unleaded and high octane gasoline's and fuel cells. The balance of current platinum demand is for the production of jewelry, such as gem settings for rings, and for investment/collector coins. Supply and demand for platinum are essentially in balance.

SUPPLY

The primary production sources of palladium and platinum are mines located in the Republic of South Africa, which industry sources believe provided approximately 25% of the palladium and 74% of the platinum worldwide during 2002. The principal PGM mining companies in the Republic of South Africa are Anglo American Platinum Corporation, Ltd., Impala Platinum Holdings, Ltd. and Western Platinum, Ltd. Rhodium production is principally South Africa (60%) and to a lesser amount Russia (30%).

The second largest source of palladium and platinum is Russia, which industry sources believe provided approximately 64% of the palladium and approximately 17% of the platinum worldwide in 2002. Approximately half of this supply is believed to have come from stockpiles. Small amounts of palladium and platinum are also produced in Canada principally as a by-product of nickel and copper mining.

Supply of palladium is projected to be flat and may, in fact, decline in the future. In the past, the primary producer of palladium, Russia, has supplied over 64% of what is now an 8.4 million-ounce (demand) world market. Russia is believed to produce approximately 2.0 million ounces a year as a by-product of nickel mining, and the remaining supply has come from stockpiles accumulated over the years. The general consensus in the western markets is that the Russian stockpiles of both palladium and platinum have declined significantly and will be exhausted within the foreseeable

future. However, if it were to be determined that Russia's stockpiles of palladium and platinum were extensive, and if they still exist and were disposed of in the market, the increased supply could adversely affect the market prices of palladium and platinum.

In addition to these sources it is possible to recover PGMs from automotive catalytic converters acquired from scrap yards. A small but growing industry has developed, predominantly in North America, in the collection and recovery of PGMs from scrap sources, including automotive catalytic converters and electronic and communications equipment.

PRICES

The company's revenue and earnings depend upon world palladium and platinum prices. The company has no control over these prices, which tend to fluctuate widely. " The volatility of palladium and platinum prices is illustrated in the following table of the annual high, low and average prices per ounce.

THE HIGHS AND LOWS OF PRECIOUS METALS SINCE 1998

1998	Gold	Silver	Platinum	1999	Gold	Silver	Platinum
HIGH	\$317	\$7.50	\$432	HIGH	\$326	\$5.57	\$573
LOW	\$275	\$4.62	\$340	LOW	\$257	\$4.95	\$394
Difference	15.2%	62.3%	27%	Difference	26.8%	12.5%	45.4%

CURRENT PRICES 07-01-03

2003	Gold	Silver	Platinum	Palladium	Rhodium
Current Spot	\$352	\$4.65	\$678	\$195	\$500

SUMMARY

MORE RARE BY FAR THAN GOLD

All the platinum ever dug up would fit into a racquetball court. Yet this amazing metal is used in hundreds of critical applications. It's contained in—or used in the manufacture of:

- Computers
- Automobiles
- Airplanes
- Steel
- Jewelry
- Phones
- Fiber optic cable
- Paint
- Glass
- And much more.

In fact 20% of all the hard goods in the world are now dependent on the platinum metals group (platinum, palladium, osmium, iridium, rhodium, and ruthenium). In recent years, about one-third of the platinum mined has been snatched up by the auto industry for use in catalytic converters. And governments are now forcing auto-makers to put even more platinum in each converter.

In addition, platinum is part of the exploding hydrogen picture; it's critical for most hydrogen fuel cells, which will soon begin to displace the venerable, smelly old gasoline engine. That alone will price it in the ionosphere. It's already twice as expensive as gold, and it's likely we haven't seen the full impact of the ultimate demand yet. Within the last decade, platinum jewelry dealers have increased from 10 to 400 in the U.S., and from 100 to 20,000 in Japan. Much the same story exists about the manufacture of cell phones, computer hard disks, oil refineries, and a wide variety of military equipment, including jet fighters and other weaponry. They all "have to have it."

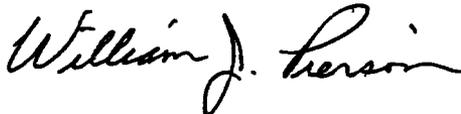
Adding greatly to the long, long list of industrial and military uses, investors are collecting platinum coins—another way to add to the shortage! The chance of finding some big new mine full of platinum? Well that's another question.....with the old technology for recovery, ten tons of ore from the richest mines yield barely an ounce of platinum. But with the new technology being developed today with new techniques for testing beyond the likes of ICP emissions spectroscopy results can now be obtained that were unavailable just a few short years ago.

Even the more sophisticated testing equipment like the ICP/MS (mass spectrometry) can't see the platinum in samples tested. Nor can lead fire assay, neutron activation, nickel sulfide fire assay, or even atomic absorption analytical methods. So all the so-called testing done on these materials over the years have shown nothing, zip, nada, ziltch. Until very recently! As a result Copper State Analytical "registered assayers" in the State of Arizona, have been able to assay and calculate these precious metals in ore bodies using techniques now accepted in the "nano-technology" fields of science. This has been further identified by MTB of Littleton, CO.

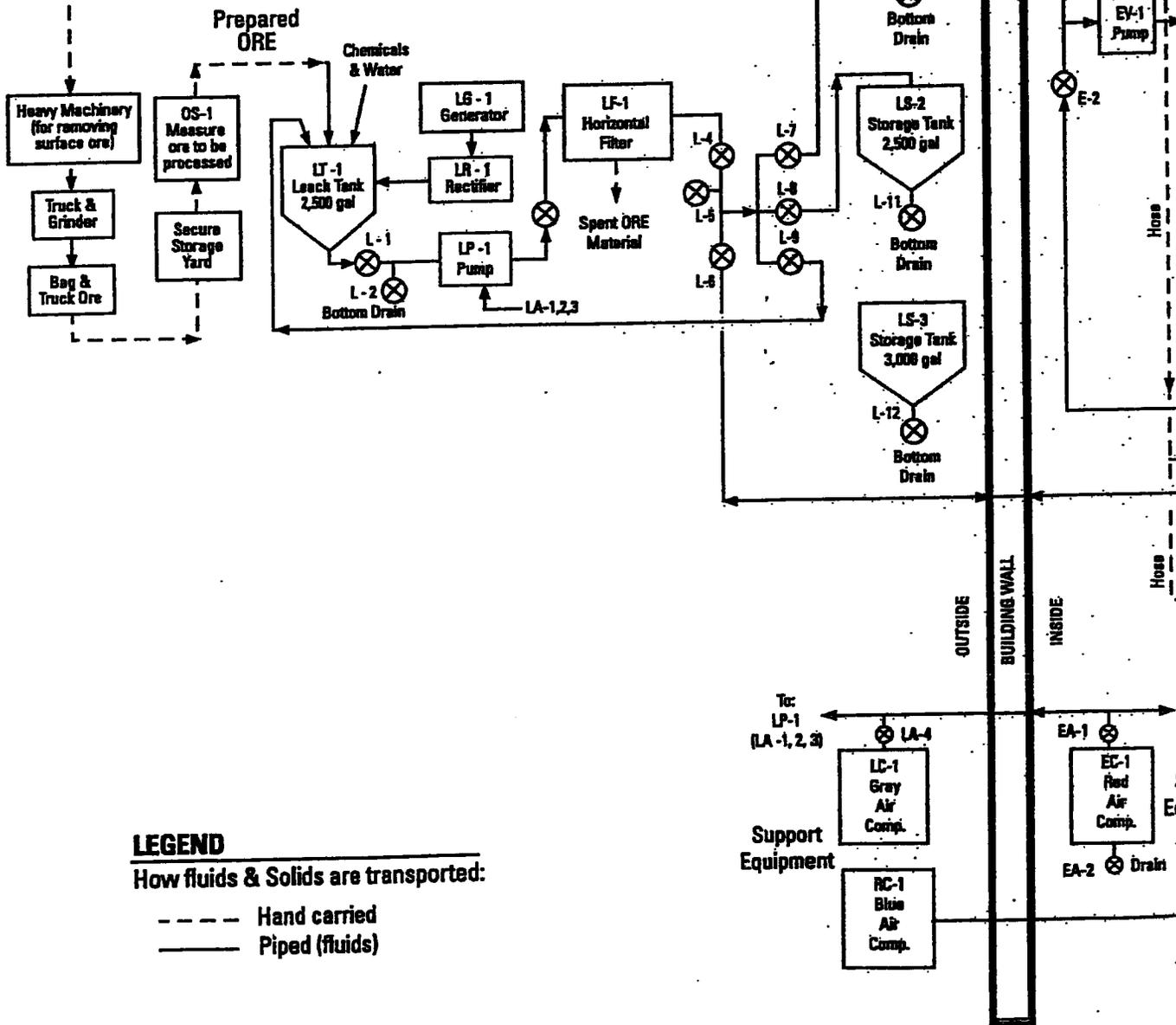
Fortunes will be made in platinum and the PGM metals market as noted before. We are on the cutting edge of this technology and have made huge steps in a very short period of time to keep the door from closing.

Agra Technologies, Inc.

William J. Pierson, CEO



Ore Material
(Cinder Cones, Etc.)



STAGE - 1

"Ore"
(Procedures: PO)

STAGE - 2

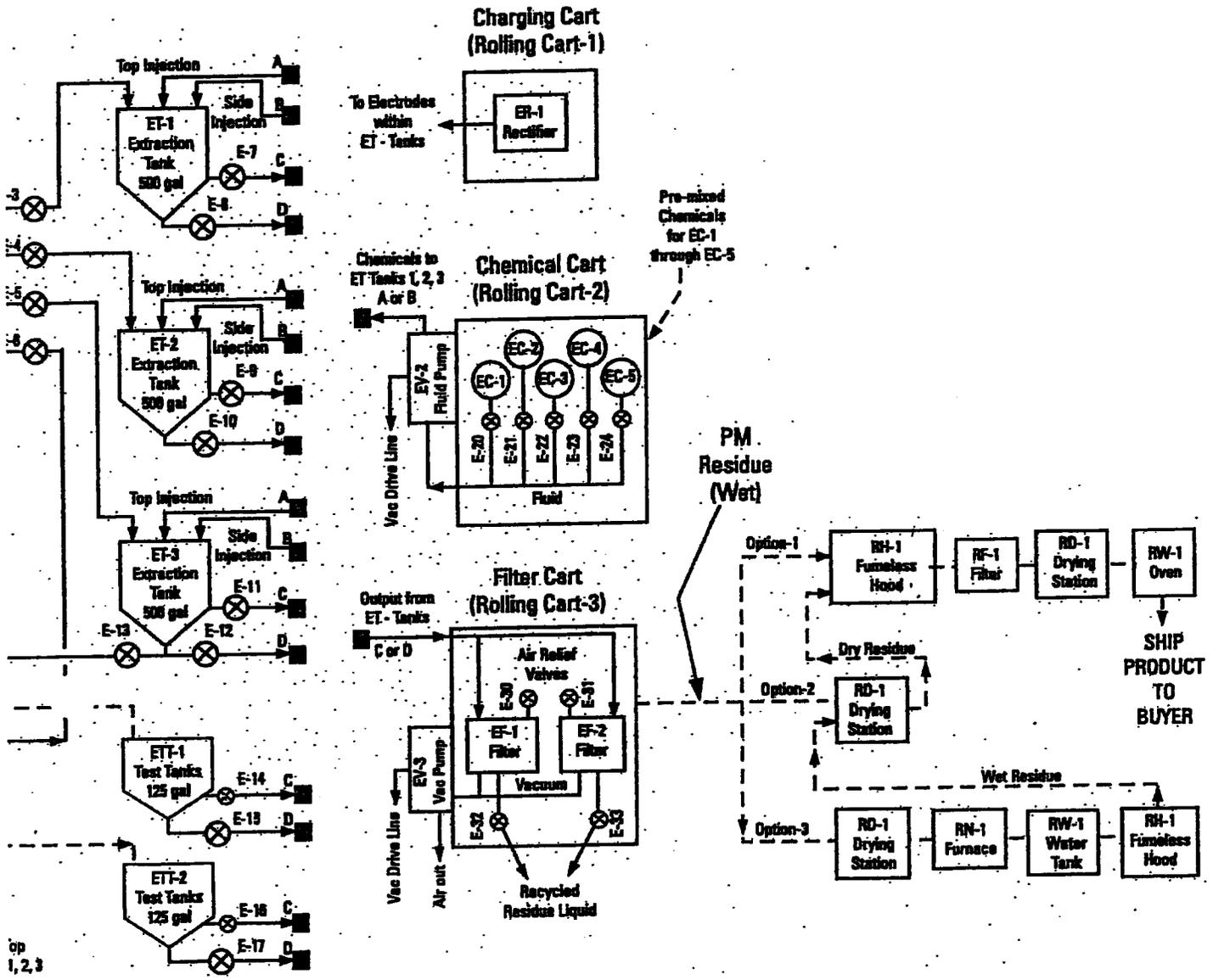
"Leaching"
(Procedures: PL)

ACC007001
AGRA TECH.

LAB EQUIPMENT

(With Nomenclature)

9/16/02



port
1, 2, 3

port
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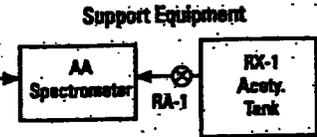
STAGE-3

"Extraction"
(Procedures: PE)

STAGE-4

"Refining"
(Procedures: PR)

ACC007002
AGRA TECH.



Agra Technologies, Inc.

SUMMARY OF OFFERING 2003

UNITS AND SERVICES OFFERED

This offering of 1500 units Agra Technologies, Inc.'s Platinum Recovery Project is located in Flagstaff, Arizona.

It is anticipated that this offering could include another 1500 units depending on circumstances prevailing. In the event that this becomes a reality, those participants first participating in the original Units will receive "first right of refusal" on the subsequent units.

PRICE FOR RIGHT'S OF UNITS AND SERVICES

1. The right to obtain any precious metals from Agra Technologies, Inc.'s aggregate (50 tons) is offered at \$10,000 per unit for:
 - a. 100% of the first \$50,000 of precious metal recovered from the PRINCIPALS tonnage, 20% of the next \$100,000 and 10% of the remainder of the profits from MINERS' processing of the ore.
2. This agreement also allows for the development and processing of the mineral aggregate at the price of \$200 US per ton or \$10,000 per unit. The PRINCIPAL (right's owner) of the mineral aggregate's precious metal may upon their election take the 50 tons and select another mining company to process the material. In this case, no further obligation from Agra Technologies, Inc. is warranted or necessary.
3. All recovery of precious metal will be accounted for in accordance with the companies' normal processing procedures. A copy of the processed amount of product will be supplied to the PRINCIPAL at the end of his run, showing the date processed, amount processed and rate of recovery according to atomic absorption calculations. Final results will be determined upon the refining and meltdown of the "cake" with final determination on recovery made at that time. The PRINCIPAL can elect to take the platinum or an amount of US funds at the current LME exchange rate.

RISK FACTORS

It is common for business transactions to contain some element of risk and the prudent person will weigh the relative benefits against the relative risks assumed. Potential PRINCIPALS are urged to make their own determination regarding their ability to assume any risks.

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TAB 4

Pages 17 - 19

**ACC007004, ACC007005 &
ACC0007006**

Resumes of Key Management

**William J. Pierson
6710 Lynx Lane
Flagstaff, Arizona 86004
520-714-9401**

Personal Data:

Born 1943 Oklahoma City, Oklahoma

High School: 1962 Graduate of Arlington High, Arlington, TX

Military: 1962 to 1965 Served honorably in the U.S. Navy aboard the aircraft carrier USS Bon Homme Richard CVA 31.

College: 1970 BS Degree in Marketing from San Diego State University.

Activity Interest:

Spectator sports: Football, Baseball, and Basketball.

Sports participation: Golf, Cycling, Swimming, Hunting, Camping, Skiing, Fishing, and Boating.

Social Interest: Theater, Musical Concerts, Dinner Parties, and Special Events.

General Background:

U.S. Navy from '62 to '65, attended Citrus College '65 to '67. Listed on the Deans' Honor Roll, and received an AA degree in business in 1967. Captain of the football team, and a field track letterman. Attended San Diego State University and earned a BS in Marketing. A leader on and off the field, voted the most valuable lineman and College All American.

Business Background:

1996-Present

Entrepreneurial skills applied to the research and development of material resources, processes and technologies related to sustainable agriculture. Formed a small group of investors, acquired identified material resources, and have been in the process of matching a business plan to select financial interests. Modifications to the current business have been made in conjunction with recognized and necessary change. Mr. Pierson's featured business expertise is best illustrated in his capacity to recognize a broad spectrum of business values from personnel too profitability.

1989-1995

Mr. Pierson was active in business acquisitions, and related developmental aspects of several companies. These encompassed land development, mining and manufacturing. The companies were both privately and publicly held. Business skills were applied in international contract negotiations, financial analysis, feasibility studies, and marketing profiles. The companies were Mariah International, Inc., Mark VI, Sportsflex and R.O.T.E. Marketing. Interest in these companies was held as an officer, director and a shareholder.

1984-1989

Exec. V.P. Bauska Manufacturing: Mr. Pierson expanded the existing business, assisted with the plans for several new, but related business ventures. Developed Corporate Offices, literature, mail order catalogs, advertisements, ad campaigns, and national sales networks.

1975-1983

Mr. Pierson was Vice President, and a major shareholder, of the leading wholesale roofing supply company in California. He managed 14 long haul trucks, 5 local delivery trucks 45/50 employees, ordered the majority of product inventory, its pick up and delivery and was responsible for or coordinated the majority of the sales. Sales grew from \$9 million in '75 to \$24 million in '83. Held financial interests in and served on the board of several other businesses.

EXTRA CURRICULAR

Mr. Pierson is the recipient of awards from, and has been called upon to speak to, the Exchange Club, V.F.W., American Legion, Eagles, Lions, Billy Graham, the Freedom Foundation and others. He has served on several boards, committees and councils. He has put together major fundraisers, association golf tournaments and regional seminars.

RICHARD A. CAMPBELL
7202 W. Sandra Terrace Ave.
Peoria, Arizona 85382
623-487-1371 ph/fax
Email: smoky949@earthlink.net
Cell: 949-689-4186

30 years of experience in sales, marketing and administration. Excellent verbal and written skills with the ability to communicate effectively at all levels of business. Mr. Campbell has written many articles on remineralization and sustainability.

I. PROFESSIONAL EXPERIENCE

1995-Present

Active in business start-ups, acquisitions, mergers, with both public and private companies. Developed business plans for several firms, negotiated mergers with Triumph Steel, Aimco, and has prepared business plans for Agra Technologies, Inc. which he is a major shareholder and Gumat Technologies, Inc., for which he is a Officer, Director and major shareholder, D & B Enterprises International, LLC and Eureka Technologies for which he is an Officer and shareholder.

1992-1995

Officer/Director of Mariah International, Inc., and Guild Mark Industries, Inc. (MG Resources, Inc. NASDAQ) Vice President, Special Projects and Corporate Secretary for both companies. Oversaw daily operations and was responsible for many of the company's major decisions. Also Director of Operations for Merrill Crater Mining and Minerals LLC. Responsible for the construction of a pilot plant facility to test microscopic ores that contained precious metals. Plant was built within both time constraints and financial considerations.

1989-1992

Developed SportFlex, a fundraising vehicle for amateur sports at the college level, and was involved in the sale and administration of this program to alumni supporters at many universities across America. This program was sold to American National Life.

1987-1989

Joined Metmor Financial, a division of Metropolitan Life, as a consultant to market, sell, and administer group insurance products to existing client base, using flex benefits including pension, 401(k), life, Health, Dental and other group products.

1977-1987

Started R.A. Campbell Company and was one of the most successful group insurance marketing and flex administration specialists in California. Author of "Employee Benefit Programs and Their Sale to the Consumer."

- 1975-1977 Advanced from Sales Manager to Vice President of Marketing at Pacific Allied Insurance, Inc. Wrote more business than any other individual in the history of the group insurance business and responsible for over 500 sales and \$13,000,000 in premium.
- 1973-1975 Sales representative for Pacific Mutual Life Insurance Company and as a new group underwriter, wrote more group medical and dental business than any other sales representative had ever written with Johnson & Higgins. Cultivated in excess of 50 brokers who requested his assistance in the sale/administration of products.
- 1967-1973 Dental consultant for the L.D. Caulk Company with his area the nation's number one in sales. In 1972, wrote more business at the National Dental Association meeting in San Francisco, California than any other consultant in the company's history. Responsible for sales/marketing efforts of 140 salespeople.

II. EDUCATION

BS Business Administration, University of Redlands, Redlands, CA
La Salle University School of Law, Chicago, IL
University of California, San Diego, CA

Author of The Earth, the Soil, the Solution, a treatise on soil remineralization. Mr. Campbell is considered a specialist in the area of soil remineralization using highly mineralized igneous basalt rock ground to a specific specification in lieu of manufactured chemicals for fertilization in a growing soil medium to create "good tilth" for the soil.

Boris V. Levinsky, Ph.D

Date of birth: 15 January 1935 , city of Leningrad, Russia

Education:

1952-1957 Irkutsk State University, Irkutsk, Russia
Chemical faculty.

1960-1964 Moscow State Institute of Rare Metals , Russia
Advanced studies, research and confirmation of the degree "Master of Sciences".

1982-1983 Moscow State Institute of Chemical Technologies, Russia
Advanced studies, research and confirmation of the degree "Doctor of Sciences".

Professional experience:

1957-1969 State Research Institute of Rare Metals. Irkutsk, Russia
Researcher, Senior Researcher

Started Scientific career and advanced research on the subject "Flotation and Beneficiation of Ores". During these years has created and developed new flotation reagents for the mining industry of the former Soviet Union. Has created and developed new flotation technology of Barytes Ores in 1959, on the base of this research work has confirmed the degree "Master of Technical Sciences".

1969-1974 State Medical Institute. Irkutsk, Russia
The Dean of Chemistry and Physics faculty

In 1969 was invited to the State Medical Institute to teach General Chemistry and develop experimental facilities for advanced students. Main subject during those years was Colloid Chemistry. Also has started Scientific research on the subject "Potential of Reductive-Oxidative processes in early diagnostics of cancer".

1974-1996 State Research Institute of Rare Metals. Irkutsk, Russia
The Head of the Laboratory of Physics and Chemical Research

Realized State order to create and set up technology to protect Gold mining grounds from seasonal frost in the Northern Regions of the former USSR. Further, this technology was sold by the former Soviet Government and successfully set up in China. At the same time with the group of colleagues developed technology of insulation material manufacturing for the Construction Industry of the former USSR. Presently, this technology is widely used in the Northern Parts of Russia. This research confirmed the degree "Doctor of Technical Sciences". During these years seriously started the research in the field of production and usage of Humic Acids and their Salts. In 1993 has discovered and developed the New Technology of Humic Acids conversion into Humic Acid Salts. This discovery has allowed to start commercial manufacturing, development and wide usage of Highly soluble Humate products in Agriculture.

1996 -2001 Gumat Limited Irkutsk, Russia

Director and founder. Inventor of "Gumat / Humates technology manufacturing"

Main Business: Manufacturing, supply and export of Potassium / Sodium Humates and other Humate related products.

Scientific research: Continues and Finances advanced scientific research of Humic Acids and their influence on the system "Plant-Water-Soil", with colleagues - scientists from Irkutsk State University. During 3 years of the constant research and manufacturing has developed 5 new products, successfully supplied at the Russian market. Set up and finances experimental base in Eastern Siberia under the supervision of the representative of Ministry of Agriculture of Russian Federation.

2001 TeraVita Limited, Lancaster, PA, USA

Director of the research

Realization of the Russian "know-how" of manufacture six humic preparations, research on restoration infected soils and problem areas in golf clubs.

2003

Dr. Levinsky



Dr. Levinsky holds over 60 patents/inventions. Among the more notable are:

1. N229352, USSR, "The Flotation Method of Apatite and Gold Separation."
2. N331612, USSR, "The Flotation Method of Sulfide and Gold Ores."
3. N832819, USSR, "The Method of Foam Separation."
4. N890680, USSR, "The Method of the Selective Desorption Ions of Metals from Water Solutions."
5. 916414, USSR, "The Appliance for Foam Concentration."
6. 369263, USSR, "The Method of Protection Mining Grounds from Seasonal Frosts."
7. USA Patent N4199547, Canadian Patent N1123564, German Patent N2752311, "The Device for Foam Plastic Manufacturing."
8. N2036190, Russia, "The Manufacturing Technology and the Application of Humate products."
9. N2104988, Russia, "The Manufacturing Technology of Humate Fertilizers."

During his professional life Dr. Levinsky has developed a strong working relationship with the owners of D & B Enterprises International, LLC and is available to assist in any of the areas of his expertise at a moment's notice. He currently resides in Moscow, Russia and visits the US several times a year to visit with his friends in Arizona.

Agra Technologies, Inc.

Platinum Recovery Project – 2003

Prospective PRINCIPALS are being offered an opportunity to purchase the rights to precious metals in mineral aggregate on a tonnage basis from Agra Technologies, Inc.. The company may be retained to also process the aggregate purchased by the PRINCIPAL.

Agra Technologies, Inc. has 75,000 tons of PGM's cinder located in Flagstaff, AZ, which will be used for this project. See Company information packet.

The prospective PRINCIPAL of the precious metal bearing mineral aggregate can receive the following benefits:

- PROJECTED POTENTIAL RETURN ON CASH - 7.02 times the original initial purchase. Or, 700+% based on current valuation (*including initial payment*).
- TAX DEFERRED INCOME – It is the opinion of our tax consultants that until the platinum is sold and converted to dollars, the gain is not taxable.
- NOT A LIMITED PARTNERSHIP – This is a Schedule C deduction, if used.
- VERIFICATION OF CLAIMS – Recent geology and assay reports verify and validate the presence and recovery potential of the PGM's.
- INDEPENDENT VERIFICATION – MTB an independent evaluator of precious bearing metals, PGM's, has verified and validated the recovery process developed by Galleon Technology & Development Corp.
- PROCESSING MATERIAL – After purchasing the rights to the material containing the PGM's the PRINCIPAL may remove and process the ore by means other than those used by Agra Technologies, Inc.

The foregoing summary is for informational purposes only and should not be construed as an offer to sell nor a solicitation to buy a unit in the Agra Technologies, Inc. program nor an offer to sell nor a solicitation to purchase a unit in the Agra Technologies, Inc. program. No part of this memorandum may be reproduced or used in any form or by any means- graphically, electronically, or mechanically, without the written permission of its producer. It is highly recommended that the readers rely solely on their own judgement and experience as they utilize any of the ideas contained herein.

This summary was designed to provide accurate and authoritative information in regard to the subject matter covered. It is presented with the understanding that the author is not engaged in rendering legal, accounting or other professional services. If legal advice or other professional assistance is required the services of a competent professional person should be sought.

From a Declaration of Principles jointly adopted by a Committee of the American Bar Association and a Committee of Publishers and Associations.

Agra Technologies, Inc. Assumptions 2003

Agra Technologies, Inc. Assumptions for calculation purposes to the
Option Project – 2003

- Agra Technologies, Inc. owns over 5,000,000 tons of Sheep Hill cinder containing Platinum Group Metals (PGM's)
- Each Unit: \$10,000 US
- Total Number of Units Available: 1500 Maximum
- Each Unit:\$10,000 purchases THE RIGHT'S to 50 tons of platinum bearing ore for processing
- Development & Processing Costs to the PRINCIPAL: \$200 per ton or \$10,000 per Unit
- Recovery Allocation: PRINCIPAL receives 100% of the first \$50,000 of platinum processed, 20% of the next \$100,000 and 10% of the remainder of platinum produced in the MINERS ore body.
- Platinum: \$650 per ounce
- Anticipated Return*: \$70,250 to PRINCIPAL per Unit. = 700+%

Units Obtained for Processing	Ounces Per Ton'	Participant Income in Dollars US
1	1	\$22,500
1	2	\$51,000
1	3	\$57,000
1	4	\$64,000
1	5	\$70,250*

NANOTECHNOLOGY and the BIG CHANGES coming from the INCONCEIVABLY SMALL

SCALE, It's all about SCALE.

Nanoscience takes as its subject the realm of the infinitesimally small, tinier than the tiniest atom. If the measurement known as a nanometer were scaled up to the width of your fingernail, then your fingernail would be the size of Delaware and your thumb would be the size of Florida. This is the domain of the nanometer – the nanocosm – is a *serious* kind of small.

In dealing with platinum group metals and the recovery of incomplete molecules we're dealing in the world of the tiny, or we should say, teeny tiny. One thousandth of a gram is a *milligram*, one thousandth of that – a millionth of a gram – is a *microgram*. A thousandth of a micro-unit, or billionth of something, is expressed by the prefix *nano* – from *nano*, classical Greek for *dwarf*. That is what we are dealing with here.

While the word *nanotechnology* has gained wide currency, its use to mean something already in existence was initially premature. Even today the nanocosm has not generated much solid technology. It's about to that's inevitable. But the bulk of it is a few years, and in some cases more than a decade away.

Still nanoscience has recently made such staggering gains that it is undeniably on the brink of a true nanotechnology. We have now mapped enough of the nanocosm to let us make *educated* guesses about the type of world it will soon support. These estimates range from the merely surprising to the wig-flippingly outrageous. Some very big changes in business are about to come to us by the way of the extremely small.

The recovery process that we will utilize for the extraction of precious metals, namely platinum at this time, is based in "nanotechnology". Five years ago this would not only have been unachievable, it would have been considered scientifically unfounded. Thanks to those who had the foresight to look at what the possibilities were and to persist, methodology has been developed incorporating this science, capable of growing matter through a selection process, in a stable environment. The learning curve for this form of precious metal growth is still being drawn. We expect to "grow" the investment in defined resources, using these newly developed nano-techniques, as we have repeatedly been successful in extracting molecules heretofore unavailable under any circumstances.

We have confidentially reviewed this technological process with a globally recognized leader in the field of analytical study, and they confirmed our findings, writing a 300-page document, further authenticating the process. What we are offering in our presentation to you is quite simple. We give up some platinum, which we give to you for your investment. You make an extraordinary return on your money, and we keep our company and its shareholder base at a manageable number. In the final analysis, you must read our material; sign the disclosures, mining and ore contracts, put up your money and watch us grow.

Nanotechnology will not content itself with revolutionizing the grand things: economy and culture and democracy. It will alter, from the inside out, the myriad small details that affect us – how we stay healthy, how we spend leisure time, how we raise our children. The nanocosm that supports these widespread changes may not always be apparent, but perceived or not, it will be the agent of revolution.

DEVELOPMENTS FROM NANOSCIENCE

- Self-assembly of small electronic parts, based on artificial DNA or guest-host systems
- Complete medical diagnostic laboratories on a single computer chip less than one-inch square
- Light, efficient ceramic car engines
- Drugs, and drug-delivery systems, that turn AIDS and cancer into lower-level, manageable conditions – as juvenile diabetes is today
- Traditional categories for science and technology (e.g. chemistry, metallurgy) start to blur
- Guyed structures 30-100 miles high, used for satellite launches and direct communications
- Cosmetic nanotechnology, including permanent hair and tooth restoration

At a time of astonishing and rapid advances in what we know of our own world, Agra Technologies, Inc. will no doubt record the twenty-first century as the Renaissance of the Nanocosm as it charts these first great voyages of discovery into a bizarre new realm. One that is small in size..... but epic in meaning.

CONFIDENTIAL

TAB 4

Pages 30 - 32

**ACC007017, ACC007018 &
ACC0007019**

**Redefining
Minerals Recovery
for the
21st Century**

MISSION STATEMENT

Agra-Tech will enter the 21st century as a "new" mining company, extracting platinum group metals (PGM's) identified in its complex mineral resources with the bulk of the resources used as a bio-available complex mineral-agricultural "by-product".

□ CINDER PROCESSING

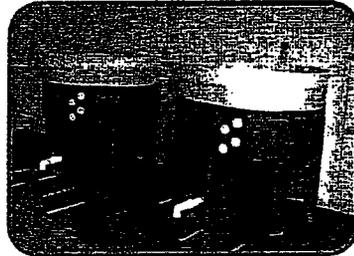
◇ DIVISION 1 (PMR MINING)



1.



3a.

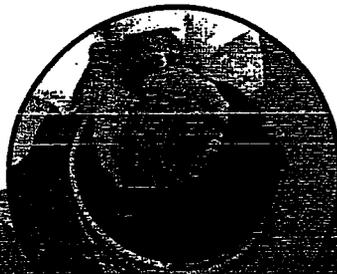


4a.



○ DIVISION 2 (AGRICULTURE)

3b.



4b.



AGRA-TECH OPERATIONS

- 1. Cinder Processing
- 2. Micro Grinding
- 3a. Precious Metals Extraction
- 3b. By-Product Agramin™
- 4a. Platinum Group Metals
- 4b. Agricultural Applications

ACC007021
AGRA TECH.

'02

'03

'04

'05

'06



CORPORATE OVERVIEW

The Company has evolved as a Minerals Resource Company. Agra-Tech has processed and researched its complex mineral reserves seeking ways and means to develop maximum use/s of the resources. For several years, the precious metals identified in the Company's resources were unable to be recovered with any of the processes the Company allowed to be tested or applied. The Company has studied several processes purported to be capable of recovering the precious metals identified in its resources, but only in this past year has the process developed with Galleon Technology and Development Corp. proven to be both economically feasible and agriculturally compatible. The Company's agricultural division will, formulate, package, and deliver to the marketplace consumer demand products, which it has researched and developed over the past five years, from the by-product of the Company's precious metals recovery processes.

Extensive research has provided indications precious metal content exists within the mineral resources owned or controlled by Agra-Tech. Both internal and external testing from recognized third party sources have consistently confirmed these findings. Agra Tech is acquiring the

technology preliminarily proven capable of efficiently extracting the platinum group metals present and identified in its complex mineral resources. The Company will work with Galleon to finitely develop the environmentally friendly recovery processes, and implement a commercially viable process for the mineral resources. This technology has the capacity to provide Agra-Tech with significant revenue from the sale of some of its precious metal bearing ore, while essentially providing the company with the bulk of the resources, as a bio-available complex minerals... agricultural "by product".

The Company projects its production costs of PMR to be under \$200 per ounce in 2002. The Company's budgeted expenditures for the expansion of operations in 2003 is \$3.5 million. Initial production estimates and recovery rate indicators, provided from small-scale production, project revenue generation of over \$35 million from the first year of production. Revenues are also expected to exceed \$232 million, by the company's fifth year of expanded operations, with subsequent gross profits of approximately \$100,000,000.

The Company's "Minerals Development Plan" seeks to maximize the uses of its mineral resources, in combining processes and compounding production. *The Company uses environmentally friendly and ecologically safe processes to extract precious metals and create natural products for agriculture.* D-1 feeds D-2 and D-2 produces bio-available complex minerals from the by-product of the efficient recovery of 4a.

Signature

INVESTMENT HIGHLIGHTS ENJOYED TO DATE

- USA Imports 80% of Platinum requirements
- Platinum Group Metals Uses/Demand Increasing Globally
- Maximum Uses of Resources Maximized Recovery Maximized Profit
- Global Demand for Sustainable Ag Products
- Projected First Year PGM Recovery & Ag Revenues \$38,133,600
- Excellent Merger/Acquisition Expertise
- Corporate Plan Geared Toward Shareholder Value
- Regularity/Integrity in Shareholder Communications
- Strong Growth Realized from Efficient Management of Resource Assets

DIVISIONS OF PROFITABILITY

d1

d2

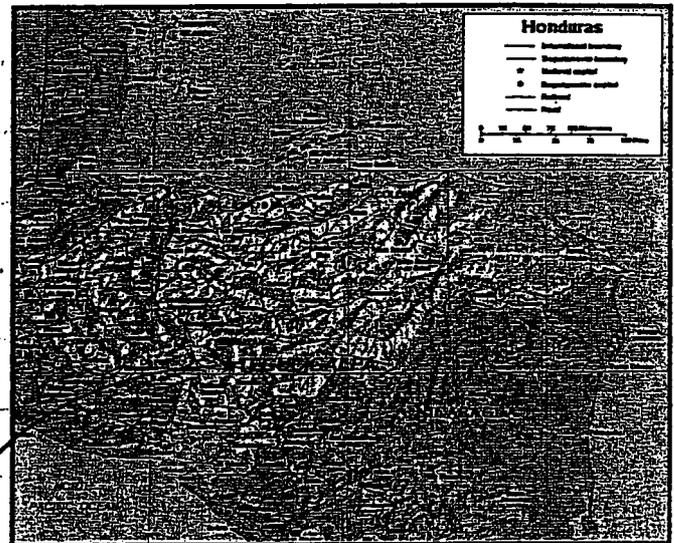


SHEEP HILL OPERATIONS

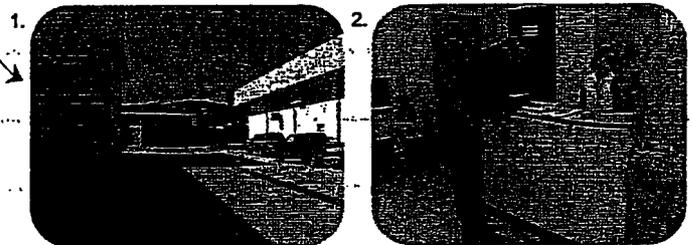


Agra-Tech, Inc.
Shareholders will see the productive benefit of the Company's precious metal recovery/revenue generation in the early years, and the matching benefit of the agricultural impact as the ascending lines of revenue draw closer together in ensuing years.

REFINERY

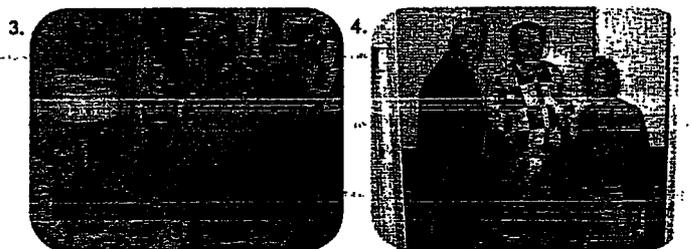


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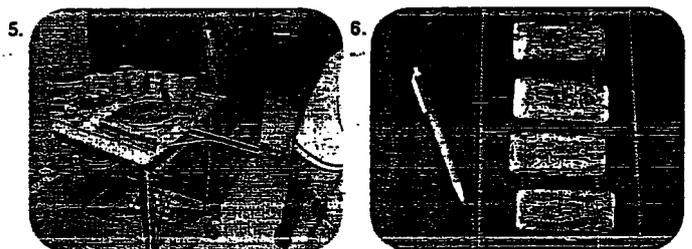
INSIDE MERENDON REFINERY COMPOUND

BILL PIERSON SIGNING IN AT SECURITY DESK



MERENDON CHEMIST DAVID HODGES FILTERING PREGNANT SOLUTION

BILL PIERSON (AGRA TECH) RON WEIDNER (GALLEON) D. HODGES W/ PLATINUM CHLORIDE



PLATINUM CHLORIDE HEATED IN ASSAY FURNACE

PLATINUM BARS - READY FOR FINAL REFINING

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AGRA TECH.

www.agra-technologies.com

TAB 5



AGRA MINING IN THE 21ST CENTURY

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AGRA TECH

**Redefining
Minerals Recovery
for the
21st Century**

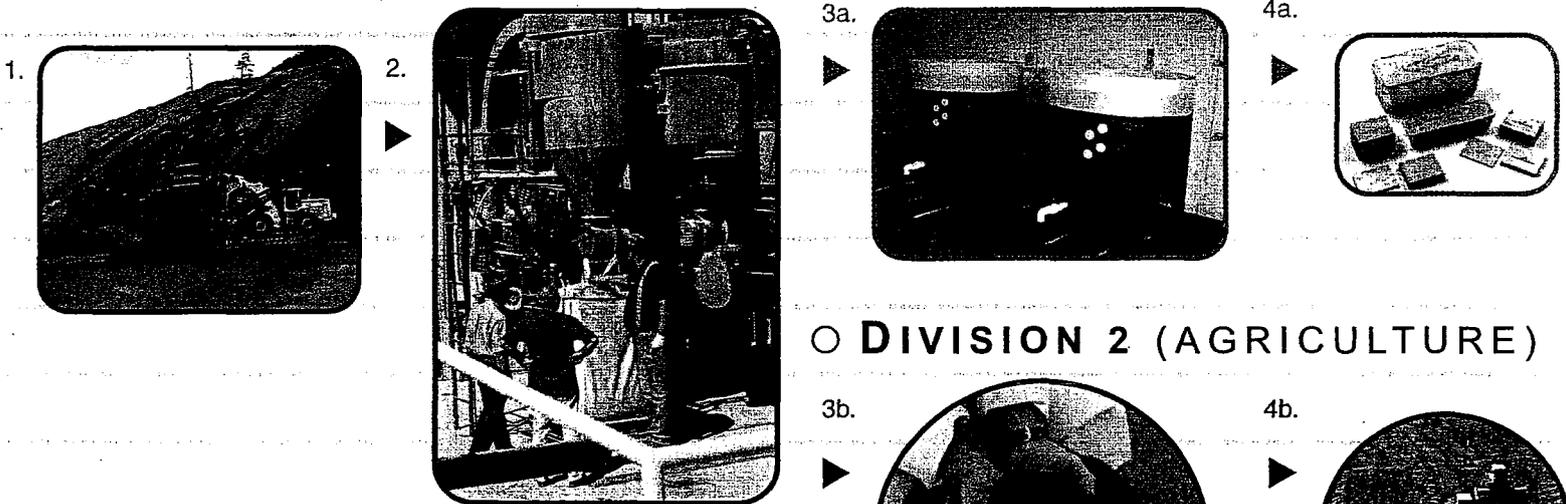


□ MISSION STATEMENT

Agra-Tech will enter the 21st century as a "new" mining company, extracting platinum group metals (PGM's) identified in its complex mineral resources with the bulk of the resources used as a bio-available complex mineral-agricultural "by-product".

□ CINDER PROCESSING

◇ DIVISION 1 (PMR MINING)



○ DIVISION 2 (AGRICULTURE)

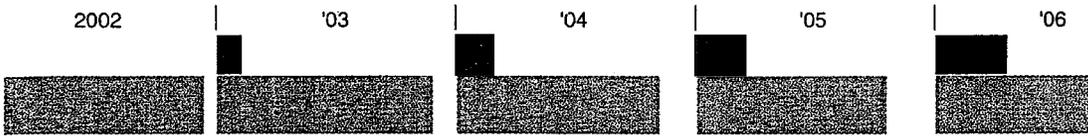
AGRA-TECH OPERATIONS

- 1. Cinder Processing
- 2. Micro Grinding
- 3a. Precious Metals Extraction
- 3b. By-Product Agramin™
- 4a. Platinum Group Metals
- 4b. Agricultural Applications



ACC011355
AGRA TECH.

□ SHEEP HILL 122 ACRES 30 MILLION TONS CINDER



CORPORATE OVERVIEW

The Company has evolved as a Minerals Resource Company. Agra-Tech has processed and researched its complex mineral reserves seeking ways and means to develop maximum use/s of the resources. For several years, the precious metals identified in the Company's resources were unable to be recovered with any of the processes the Company allowed to be tested or applied. The Company has studied several processes purported to be capable of recovering the precious metals identified in its resources, but only in this past year has the process developed with Galleon Technology and Development Corp. proven to be both economically feasible and agriculturally compatible. The Company's agricultural division will, formulate, package and deliver to the marketplace consumer demand products, which it has researched and developed over the past five years, from the by-product of the Company's precious metals recovery processes.

Extensive research has provided indications precious metal content exists within the mineral resources owned or controlled by Agra-Tech. Both internal and external testing from recognized third party sources have consistently confirmed these findings. Agra Tech is acquiring the

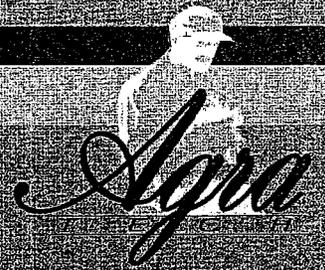
technology preliminarily proven capable of efficiently extracting the platinum group metals present and identified in its complex mineral resources. The Company will work with Galleon to finitely develop the environmentally friendly recovery processes, and implement a commercially viable process for the mineral resources. This technology has the capacity to provide Agra-Tech with significant revenue from the sale of some of its precious metal bearing ore, while essentially providing the company with the bulk of the resources, as a bio-available complex minerals... agricultural "by product".

The Company projects its production costs of PMR to be under \$200 per ounce in 2002. The Company's budgeted expenditures for the expansion of operations in 2003 is \$3.5 million. Initial production estimates and recovery rate indicators, provided from small-scale production, project revenue generation of over \$35 million from the first year of production. Revenues are also expected to exceed \$232 million, by the company's fifth year of expanded operations, with subsequent gross profits of approximately \$100,000,000.

The Company's "Minerals Development Plan" seeks to maximize the uses of its mineral resources, in combining processes and compounding production. *The Company uses environmentally friendly and ecologically safe processes to extract precious metals and create natural products for agriculture.* D-1 feeds D-2 and D-2 produces bio-available complex minerals from the by-product of the efficient recovery of 4a.



SHEEP HILL OPERATIONS



INVESTMENT HIGHLIGHTS FINANCIAL DATA

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- Regularity/Integrity in Shareholder Communications
- Strong Growth Realized from Efficient Management of Resource Assets

DIVISIONS OF PROFITABILITY

d1 Recovered Precious Metals RECOVERY (PMR) This Division has a built in gold-silver market, the value of which is subject to global supply and demand. This Division has identified Precious & Noble Metals contained within the company's mineral resources.



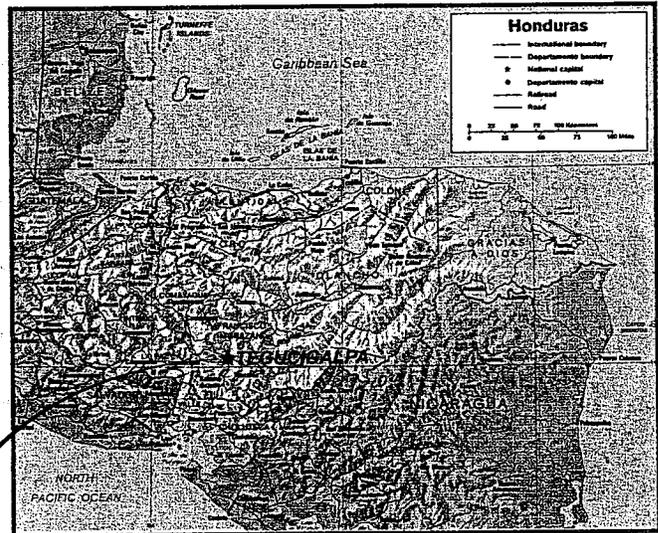
d2 Agricultural based and as such it will Process the D1 by-product. D2 Formulates Packages and Delivers commercial and consumer Products for agriculture, which it has researched and developed over the past



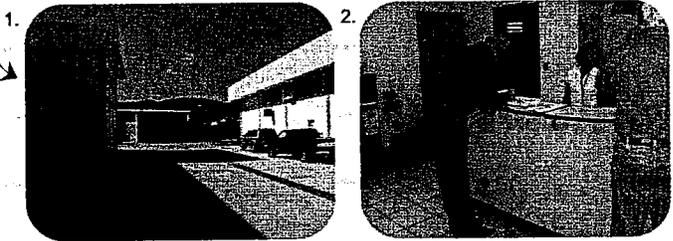


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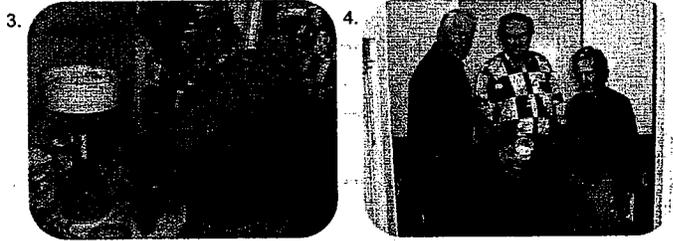


MERENDON de Honduras S.A. de C.V.



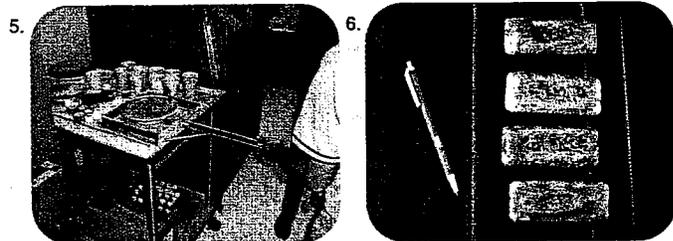
INSIDE MERENDON REFINERY COMPOUND

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2 0 0 3 | COMPANY PORTFOLIO

Precious Metal Recovery

Agra
T E C H

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AGRA TECHNOLOGIES, INC.

HISTORY OF COMPANY

Rhodium, palladium and platinum were discovered in the Sheephill cinder by Galleon Technology & Development Corporation geologists in early 2000. In 2002 -2003 they re-confirmed the discovery and an alliance with Galleon to develop PGMs discovered in the Sheephill deposit commenced. Additional testing at Galleon's Phoenix, AZ facility for PGMs on the Sheephill deposit were implemented with similar-positive results, and Agra Technologies, Inc. agreed to develop a program for implementation of a facility in Flagstaff, Arizona in the ensuing months. It is expected that Glory Enterprises LLC will assist in the preparation and delivery of up to five (5) million tons of cinder material from the Sheephill Cinder Resource owned by ATI. Glory contracted the delivery of the minerals to Agra Technologies, Inc. (ATI) and will transport the cinder to its facilities, which will be constructed for recovery of the PGMs in late 2003 or early 2004. ATI, has an agreement with Glory Enterprises LLC on the mineral rights and will receive a portion of all profits derived from any PGMs in the cinder.

Agra Technologies, Inc. (ATI) (a Nevada Corporation) was started by individuals who were looking at the possibility of entering into the mining/natural mineral fertilizer industry back in 1990. During this time the two Officers inspected and tested a number of volcanic mining properties. As a result of investigations with others in the precious metals industry, ATI intends to construct an ore processing mineral extraction facility close to the Sheep Hill property in Flagstaff, AZ. The building site has access to utilities and will be operable on a year-round basis.

Once the precious metal is extracted and the contract owners are compensated, ATI will utilize the "by product" left from the extraction process and sell it to the agricultural market. ATI currently produces a natural soil amendment for the agricultural industry, and will obtain licensing agreements and manufacturing rights to produce a list of products for the backyard gardener, and commercial growers and will also supply base product to a number of manufacturer's, for inclusion in their fertilizer formulations.

ATI will also work with Gumat Technologies, Inc. through a relationship developed by officers in the company. This will provide ATI, with Gumats' products, formulations and alliances with its manufacturer's. This progress evolved as a result of the term "sustainable agriculture," a term the scientific community used that indicates the condition of the earth as an agricultural producer.¹ Scientist, soil ecologist and global governments are all examining the many avenues and alternatives for establishing sustainable agriculture. It is a common consensus, that if we are going to be capable of feeding a growing world population, we must discover how to produce better soils to grow our crops. Testing is currently underway at the USDA in Bethesda, MD using a combination of humate, Agramin, kelp and fish showing increases in vitamins, minerals, beta-carotene, protein, oil and sugar for nutrition

STRATEGIC PLAN

The management of Agra Technologies, Inc. is interested in the development of several properties in Northern Arizona. They are convinced that a very high recoverable precious metal content exists within the properties cinder material and both internal and external testing from recognized third party sources confirm this assumption.

ATI will work with the precious metal recovery allies it has developed over the past seven years to implement a leach recovery processes capable of initially operating at 40 tons per day, and easily increased to 100 tons per day.

¹Soil Remineralization and Sustainable Agriculture, Speaker Abstract, May 1994, USDA, Beltsville, MD. Interview with Dr. Robert Bruck on the state of the Appalachian Forests and Remineralization, Remineralize the Earth, Issue 3, 1992.

SCIENTIFIC DATA

ATI has spent considerable resources in testing the precious metal content of its material. As a result of new technologies that have been developed in the last seven to ten years, negotiations have taken place to work with one of the developers of this "special technology" to recover heretofore unobtainable precious metal.

A Technical Advisory Board is being implemented to assist in the decisions regarding the results from assays and other metallurgical testing conducted over the past few years. This Board will work with the heads of the companies to develop a sound program for implementation of a plant capable of producing the required results for commercial application.

MARKETING

Precious metals sales will occur through the sale of product to the refinery, at a discount to offset any additional costs for external charges to the company for marketing. Profits from the sale of the company's precious metal will provide ATI with additional income to further expand its production of "natural" products for agriculture.

MISSION

ATI will continue to work to develop effective alternatives to manufactured chemical products for agriculture, yard and garden. Its natural products will respond to the needs of both the productive capacity of agriculture and the worldwide demand for fertile soil, clean air and water. It will also introduce a grinding technology that will revolutionize the methods currently used to produce fine grind products, at a reduced cost to the producer, and either a cost savings to the consumer or a much higher profit margin to the company. Both of these developments will be assisted by the extraction of precious metals.

MINERALOGICAL ASPECTS OF SHEEP HILL

These properties are basically composed of aphanitic to porphyritic vesicular olivine basalt. The basalt contains phenocrysts of hypersthene and olivine surrounded by a groundmass of andesine, augite, and opaque minerals. A typical model analysis indicates that the basalt contains the following minerals:

ORTHOPYROXENE	A mineral group with a general formula of $ABSi_2O_6$ where A is Mg, Fe, Ca, and Na. B is Mg, Fe and Al. The chief elements are magnesium, iron, calcium, sodium, aluminum, oxygen, and silicon.
PLAGIOCLASE	A mineral group with a formula of $(Na, Ca) Al (Si, Al) Si_2O_6$. The chief elements are sodium, calcium, aluminum, silicon, and oxygen.
OLIVINE	A mineral series with a solid solution series that range from Mg_2SiO_4 to Fe_2SiO_4 . The chief elements are magnesium, iron, silicon and oxygen.
BIOTITE	A mineral with a formula of $K (Mg, Fe) (Al, Fe) Si_3O_{10} OH_2$. The chief elements are magnesium, potassium, iron, aluminum, silicon, oxygen, and hydrogen.

CHEMICAL ANALYSIS

The United States Geological Survey (USGS) has conducted numerous chemical analyses of the basalt cinders that occur in the Sheep Hill, Wild Cat Hill, and Cochrane Hill areas. Chemical analyses of the major elements (weight percent) indicate the basalt contains silicon, aluminum oxides, iron oxides, magnesium oxides, calcium oxides, potassium oxides, titanium oxides and manganese oxides.

Quantitative spectrographic analyses indicate the basalts in the San Franciscan volcanic field contain the following elements: silver, copper, gallium, manganese, chromium, boron, cobalt, nickel, barium, strontium, vanadium, scandium, yttrium, zirconium, rubidium, zinc, niobium, lanthanum, and cesium.

The PGMs, which consist of palladium, platinum, rhodium, iridium and ruthenium are concentrated in at least three principal layers along with small amounts of nickel, copper, silver and gold. The Sheephill appears to form a continuous layer, which is exposed on all sides in a cylindrical shape, much like an ice-cream cone. It appears the PGM grade of the Sheephill is significantly higher than that of the Merensky Reef in South Africa's Bushveld Complex, or the J-M Reef in North America, known as the Stillwater Mining Co. Mine. This was thought to be the only mine of its type outside of South Africa and Russia until just recently. Their reserves are based on a cut-off grade of 0.3 ounce to 0.4 ounce of palladium plus platinum per ton of ore.

Soil Scientists indicate that **basalt supplies the essential nutrients for a balanced soil, which is said to be fertile.** To balance the soil, 13 nutrients have to be present which includes nitrogen, phosphorus, potassium, calcium, magnesium, sulphur, iron, manganese, zinc, copper, boron, molybdenum, and chlorine.

Much of this information was obtained from reports submitted to the U.S. Department of the Interior Bureau of Mines, and the Mineral Land Assessment Open File Report 1992. The reference is titled Mineral Resource Appraisal of the Coconino National forest, Arizona, by Michael E. Lane MLA 11-92 Intermountain Field Operations Center, Denver, CO.

**CHEMICAL COMPOSITION
OF THIS
VOLCANOCLASTIC MATERIAL**

NORMATIVE COMPOSITION

MINERAL	CHEMICAL COMPOSITION	PERCENTAGE
Orthoclase	KAlSi_3O_8	10.11%
Albite	$\text{NaAlSi}_3\text{O}_8$	26.19%
Anorthite	$\text{CaAl}_2\text{Si}_2\text{O}_8$	20.01%
Diopside	$\text{CaMgSi}_2\text{O}_6$	17.28%
Olivine	$(\text{Mg}, \text{Fe})_2\text{SiO}_4$	13.25%
Nepheline	$\text{Na}_4\text{Al}_3\text{Si}_3\text{O}_{10}(\text{OH})_2$	5.66%
Magnetite	Fe_3O_4	2.32%
Ilmenite	FeTiO_3	2.32%
Apatite	$\text{Ca}_5(\text{PO}_4)_3(\text{F}, \text{Cl}, \text{OH})$	1.53%

MAJOR OXIDES IN WEIGHT PERCENT

OXIDE	USGS ANALYSIS	CHEMEX ANALYSIS
SiO ₂	49.62%	62.60%
Al ₂ O ₃	16.31%	16.10%
Fe ₂ O ₃	1.60%	3.10%
FeO	8.15%	
MgO	6.34%	0.83%
CaO	9.15%	1.66%
Na ₂ O	4.33%	3.10%
K ₂ O	1.71%	3.86%
TiO ₂	1.94%	
MnO	0.20%	0.85%
Cr ₂ O ₃		0.04%

The Sheephill is a 122.14 acres, consisting of an estimated 30 million cubic yards (36 million tons) of cinder material (as indicated in the appraisal report prepared by Maynard & Associates, Inc. and Mr. Earl Runte). The site is almost square in shape, with dimensions of 2,230 feet by 2,310 feet. This cinder cone raises approximately 520 feet above surrounding properties.

All necessary utilities for development are available to the subject and are supplied by the city. The subject being a hill raising 520 feet above all surrounding properties, it is not located within a special flood hazard area.

PGM ORE RESERVES

While it is not possible to project "proven" reserves, it is relatively easy for us to calculate a minimum of approximately 10 million yards of material with "economically viable" PGMs in place. This is based on the testing of over 100 tons of material in a horizontal plane of approximately 60 feet in height and 2000 feet in length by 2000 feet in width (240,000,000 cu. Ft. / 27 X 1.2 = 10 Million tons) on the Sheephill.

The company will engage the services of MTB, Inc. of Colorado, independent consultants, who are experts in mining, geology and ore reserve determination, and will utilize Behre Dolbear to carry out independent reviews and inventories of the company's ore reserves commencing with production in 2003.

ORE RESERVES (1)

- (1) Reserves are defined as that part of a mineral deposit that can be economically and legally extracted or produced at the time of determination and is customarily stated in terms of "ore" when dealing with metals. The probable reserves are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are between 50 and 1,000 feet apart. The degree of assurance, although lower than that for proven reserves, is sufficient to predict the geological regularity of the hill between points of observation.
- (2) Total probable reserves include 10 million yards, which has been identified geologically but not yet established as proven. Because of the expense of the close-spaced drilling necessary to generate proven mining reserve estimates, the company will generally attempt to establish sufficient reserves to support its mine development objective of approximately 18 months of production.

CURRENT(and projected) OPERATIONS

AGRA TECHNOLOGIES, INC. - PROCESS FACILITY

The company's current operations are located at the Dodge Ave., Flagstaff facility, adjacent to the Sheephill cinder deposit in Flagstaff, AZ. In addition, the company expects to construct and maintain 10,000 square feet of buildings, which will contain shop and warehouse, changing facilities, head-frame, hoist house, paste plant, storage facilities and office. All structures will be located within its 26 acre operating permit area at the 66 Leupp Road – Water Station location approximately 10 miles east of Flagstaff. The Sheep Hill is located approximately 5 miles east of downtown Flagstaff, AZ and is accessed by a paved road. The company's processing facility will have adequate water and power from established sources.

MINING

The Sheep Hill cinder deposit will be "mined" by, Glory Enterprises LLC, who will provide us with "sized" material of 3/8ths minus for additional grinding at our Leupp Road facility. This will reduce haulage costs, improve material handling of ore and improve grinding capabilities for the next phase of the operation.

Once the PGM's are processed, the remainder of the finely ground material will be processed, mixed with humate when applicable and bagged for use in applications associated with commercial agriculture and home gardeners. Virtually all of the processed material will be used for this purpose with very limited waste as a result of the process. The company will maintain a permitted waste disposal site on location for any material that is not capable of being used in these applications.

Costs per ton for the sizing, delivery stacking are extremely inexpensive and it is anticipated that these costs of \$3.50 per ton will remain constant for the foreseeable future.

PRODUCTION

The company expects to be capable of producing approximately 116,800 ounces of Platinum at the new facility, during the first year year of operation. In conjunction with the 2003-2004 facility an Expansion Plan is being formulated for early 2005. This will allow for the rate of increased mining development on the existing levels of the Sheep Hill as well as new levels accessed from additional testing.

The company projects its cash production costs to be under \$200 per ounce in 2003. The company's total capital expenditures for the expansion of the facilities at the 66 Leupp Road location are approximately \$3.5 million. Based on production estimates, the company expects to generate in excess of \$58,000,000+ in revenue during its first year of operation.

GRINDING

ATI has recently purchased a grinding system from D & B Enterprises International, LLC who has spent years in R& D developing the various component parts necessary for a "complete" grinding system capable of utilizing materials of different hardness for processing. This system, from Australia, called the Alligator Mill System™, is a high-speed wind swept impactor unit with only one moving part. Raw product feed size for this mill is 25 mm and a magnetic separator belt is fitted to the feed conveyor to reduce the risk of foreign metals entering the mill causing damage. The interesting feature of this particular type of mill, is the particle shape, due to the high speed impacting on the product within the mill, particle shape is more rounded (spherical) with sharp edges, without the slimes produced by the traditional ball mills.

Pulverization is achieved by material to material impacting with hammer speeds of 90 – 100 meters per second, and accelerated particle speeds of up to 200 meters per second. An artificially induced complex vortex, by virtue of the design of this mill, causes instant size reduction without the use of screens.

This "system" is a complete working unit with all the extras such as feed conveyor and dust collector, including ducts and exit conveyors. Thus allowing for expedient connection to the electricity (mains) and an efficient start of production of our product without worrying about how we are going to make it work, or how to set up the operation. This was a major consideration for us since the portability of the system is a major benefit in its application for "on site" grinding of specialized materials for use in agriculture, and other applications. This has resulted in the company's planned utilization of one of these systems for each of its business products; PGMs, humate, minerals, and micro lime grinding.

The company has determined a preliminary estimate of the operating and capital costs for an Alligator Mill System™ associated with the design, engineering, construction and start-up of a one and one half-to two ton per hour (1.5-2 TPH) facility. The cost estimate was prepared with consideration for industry costs of equipment, availability of material at a grind able feed size, and overall accessibility. The company has modified and improved its approach to materials processing, as continued research and planning has warranted. This on-going effort will allow the company to spend less on depreciating heavy equipment, put more dollars into appreciating real estate/operating facilities and provide a greater cash position. D & B purchased the Alligator Mill System™ in September 2002 and it was delivered and commissioned at the 66 Leupp Rd. water station in early November 2002. A standby order has been placed for a 10 ton/hr unit, specifically designed to meet the needs of ATI.

LEACH RECOVERY TECHNOLOGY

Agra Technologies, Inc. maintains a privacy agreement with its technological allies, and therefore is not able to disclose the methods used in the recovery process. However, the basic events consist of the ore being fed into the leach tank after being ground to a minus 400 mesh for liberation of the PGM-bearing sulfide minerals from the rock matrix.

Various reagents are added to the slurry to separate the valuable sulfides from the complex mineral content in a leach circuit. In this circuit, the sulfide minerals are freed to accumulate in a stable environment. Several other influences are brought to bear upon the material from this point on. Attraction, filtration and concentration are a few of the insights from historically standardized processes which we are applied. The concentrated material, which represents approximately 1% of the original ore weight, dried, treated and transported to the refiner. The remainder of the ground complex minerals are then removed from the leach circuit and stacked for further drying and bagging.

METALLURGICAL COMPLEX

Base Metals Refinery. The base metals refiner will have a capacity equivalent of more than 5 tons of ore per day, of mine production. Even though mine production will be ramped up during the 2004 year, the base metals refinery selected will be able to maintain the turn around time schedule we have initially established.

EXPLORATION ACTIVITIES

The company's current plans are to continue to focus on its current PGM reserves and mineralization on the Sheep Hill rather than exploring for or attempting to acquire additional developed or undeveloped ore reserves. Consequently, exploration does not represent a significant expenditure for the company's future.

SALES AND HEDGING ACTIVITIES

Platinum is sold to a number of consumers and dealers with whom the ATI has established trading relationships. Refined PGMs 9999% purity in sponge form or bar form will be transferred upon sale from the company's account at third party refineries to the account of the purchaser. Customers, brokers or outside refiners will purchase by-product metals at market price.

The company may enter into hedging instruments from time to time to manage the effect of price changes in palladium and platinum on the company's cash flow. Hedging activities typically consist of

"spot deferred contracts" for future deliveries of specific quantities of PGMs at specific prices, the sale of call options and the purchase of put options.

From time to time, the company may enter into short-term delivery contracts. The company expects to develop credit agreements with its major trading partners that provide for margin deposits in the event that forward prices for platinum exceed the company's hedge contract prices and their credit lines.

SAFETY

In order to develop a favorable trend, management will implement additional safety training programs and will vigorously apply the "Neil George Five-Point Safety System," which is well known to the underground hard rock mining industry. This program encourages daily interaction between employees and supervisors with a specific focus on safety and requires subsequent documentation of that interaction. Management believes that zero tolerance in accident frequency is achievable.

Safety is a primary concern of the company, and it believes that training is a key element in accident prevention. Eighty hours of safety training will be required before inexperienced employees may start working in any hazardous areas, and yearly retraining in first aid, accident prevention techniques and equipment handling are mandatory for each employee.

EMPLOYEES

As of December 31, 2003, ATI expects to have employees in the following areas:

AREA	NUMBER OF EMPLOYEES (Pilot Plant 6 month operation)
Mining	1
Processing	2
Maintenance	1
Technical Services	1
Safety and Environmental	
Administration	2
Miscellaneous	1
Total	8

Management believes its employee relations will be good and believes its wages; benefits and working conditions will be competitive with other mining operations of this type.

REGULATORY AND ENVIRONMENTAL MATTERS

General: The company's business is not subject to extensive federal, state and local government controls and regulations because is not directly involved in the "mining" business. ATI is a mineral processor with essentially all of its by-product used for other applications either in agriculture or as an added value to other types of soil enhancers like humates, lime or even NPK fertilizers.

COMPETITION: PLATINUM MARKET

THE FOLLOWING DESCRIPTION OF RECENT EVENTS RELATING TO THE PLATINUM MARKET IS NOT INTENDED TO BE COMPLETE, AND READERS ARE ADVISED TO OBTAIN THEIR OWN INFORMATION AND ADVICE REGARDING THE COMMODITIES MARKETS.

GENERAL

Platinum is a rare precious metal with unique physical qualities that are used in diverse industrial applications and in the jewelry industry. The company knows of no economically viable replacements for PGMs in a number of key technological and industrial applications. The development of a less

expensive alternative alloy or synthetic material, which has the same characteristics as PGMs, could have a material adverse effect on the company's revenues. Although the company is unaware of any such alloy or material, there can be no assurance that none will be developed.

Agra Technologies, Inc. competes with other suppliers of PGMs, some of which are significantly larger than the company and have access to greater mineral reserves and financial and commercial resources. See "Supply" below. In addition, new mines may open over the next several years, increasing supply.

Furthermore, in certain industrialized countries, an industry has developed for the recovery of PGMs from scrap sources, mostly from spent automotive and industrial catalysts. In spite of these conditions, the company will be successful in competing with these existing and emerging PGM producers because of its low production and capital equipment cost.

DEMAND

Demand for platinum, palladium and rhodium have increased since 1992, but the increased demand for rhodium and palladium has been much more dramatic. Demand for palladium has grown from 3.9 million ounces in 1992 to 8.4 million ounces in 2000 – more than double in eight years and the demand for rhodium has more than quadrupled. Platinum demand has increased from 3.8 million ounces in 1992 to 6.37 million ounces in 2003 - a 60% increase.

PGMs unique physical qualities include (i) a high melting point; (ii) superior conductivity and ductility; (iii) a high level of resistance to corrosion; (iv) strength and durability; and (v) strong catalytic properties. Platinum, has numerous industrial applications and when combined with silver, provides an extremely conductive material. With growing concern for cleaner air, it is expected that concern over automobile emissions will continue to spread. This could have a marked effect on palladium usage and to an undetermined extent, platinum.

Approximately 60% of current world platinum production is used for industrial and manufacturing processes, most significantly for the manufacture of catalytic converters for the global auto industry. In addition to catalytic converters, industrial uses of platinum include the production of data storage disks, glass, paints, nitric acid, anti-cancer drugs, fiber optic cables, fertilizers, unleaded and high octane gasoline's and fuel cells. The balance of current platinum demand is for the production of jewelry, such as gem settings for rings, and for investment/collector coins. Supply and demand for platinum are essentially in balance.

SUPPLY

The primary production sources of palladium and platinum are mines located in the Republic of South Africa, which industry sources believe provided approximately 25% of the palladium and 74% of the platinum worldwide during 2002. The principal PGM mining companies in the Republic of South Africa are Anglo American Platinum Corporation, Ltd., Impala Platinum Holdings, Ltd. and Western Platinum, Ltd. Rhodium production is principally South Africa (60%) and to a lesser amount Russia (30%).

The second largest source of palladium and platinum is Russia, which industry sources believe provided approximately 64% of the palladium and approximately 17% of the platinum worldwide in 2002. Approximately half of this supply is believed to have come from stockpiles. Small amounts of palladium and platinum are also produced in Canada principally as a by-product of nickel and copper mining.

Supply of palladium is projected to be flat and may, in fact, decline in the future. In the past, the primary producer of palladium, Russia, has supplied over 64% of what is now an 8.4 million-ounce (demand) world market. Russia is believed to produce approximately 2.0 million ounces a year as a by-product of nickel mining, and the remaining supply has come from stockpiles accumulated over the years. The general consensus in the western markets is that the Russian stockpiles of both palladium and platinum have declined significantly and will be exhausted within the foreseeable

future. However, if it were to be determined that Russia's stockpiles of palladium and platinum were extensive, and if they still exist and were disposed of in the market, the increased supply could adversely affect the market prices of palladium and platinum.

In addition to these sources it is possible to recover PGMs from automotive catalytic converters acquired from scrap yards. A small but growing industry has developed, predominantly in North America, in the collection and recovery of PGMs from scrap sources, including automotive catalytic converters and electronic and communications equipment.

PRICES

The company's revenue and earnings depend upon world palladium and platinum prices. The company has no control over these prices, which tend to fluctuate widely. " The volatility of palladium and platinum prices is illustrated in the following table of the annual high, low and average prices per ounce.

THE HIGHS AND LOWS OF PRECIOUS METALS SINCE 1998

1998	Gold	Silver	Platinum	1999	Gold	Silver	Platinum
HIGH	\$317	\$7.50	\$432	HIGH	\$326	\$5.57	\$573
LOW	\$275	\$4.62	\$340	LOW	\$257	\$4.95	\$394
Difference	15.2%	62.3%	27%	Difference	26.8%	12.5%	45.4%

CURRENT PRICES 07-01-03

2003	Gold	Silver	Platinum	Palladium	Rhodium
Current Spot	\$352	\$4.65	\$678	\$195	\$500

SUMMARY

MORE RARE BY FAR THAN GOLD

All the platinum ever dug up would fit into a racquetball court. Yet this amazing metal is used in hundreds of critical applications. It's contained in—or used in the manufacture of:

- Computers
- Automobiles
- Airplanes
- Steel
- Jewelry
- Phones
- Fiber optic cable
- Paint
- Glass
- And much more.

In fact 20% of all the hard goods in the world are now dependent on the platinum metals group (platinum, palladium, osmium, iridium, rhodium, and ruthenium). In recent years, about one-third of the platinum mined has been snatched up by the auto industry for use in catalytic converters. And governments are now forcing auto-makers to put even more platinum in each converter.

In addition, platinum is part of the exploding hydrogen picture; it's critical for most hydrogen fuel cells, which will soon begin to displace the venerable, smelly old gasoline engine. That alone will price it in the ionosphere. It's already twice as expensive as gold, and it's likely we haven't seen the full impact of the ultimate demand yet. Within the last decade, platinum jewelry dealers have increased from 10 to 400 in the U.S., and from 100 to 20,000 in Japan. Much the same story exists about the manufacture of cell phones, computer hard disks, oil refineries, and a wide variety of military equipment, including jet fighters and other weaponry. They all "have to have it."

ACC011368-A

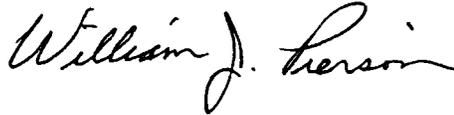
Adding greatly to the long, long list of industrial and military uses, investors are collecting platinum coins—another way to add to the shortage! The chance of finding some big new mine full of platinum? Well that's another question.....with the old technology for recovery, ten tons of ore from the richest mines yield barely an ounce of platinum. But with the new technology being developed today with new techniques for testing beyond the likes of ICP emissions spectroscopy results can now be obtained that were unavailable just a few short years ago.

Even the more sophisticated testing equipment like the ICP/MS (mass spectrometry) can't see the platinum in samples tested. Nor can lead fire assay, neutron activation, nickel sulfide fire assay, or even atomic absorption analytical methods. So all the so-called testing done on these materials over the years have shown nothing, zip, nada, zilch. Until very recently! As a result Copper State Analytical "registered assayers" in the State of Arizona, have been able to assay and calculate these precious metals in ore bodies using techniques now accepted in the "nano-technology" fields of science. This has been further identified by MTB of Littleton, CO.

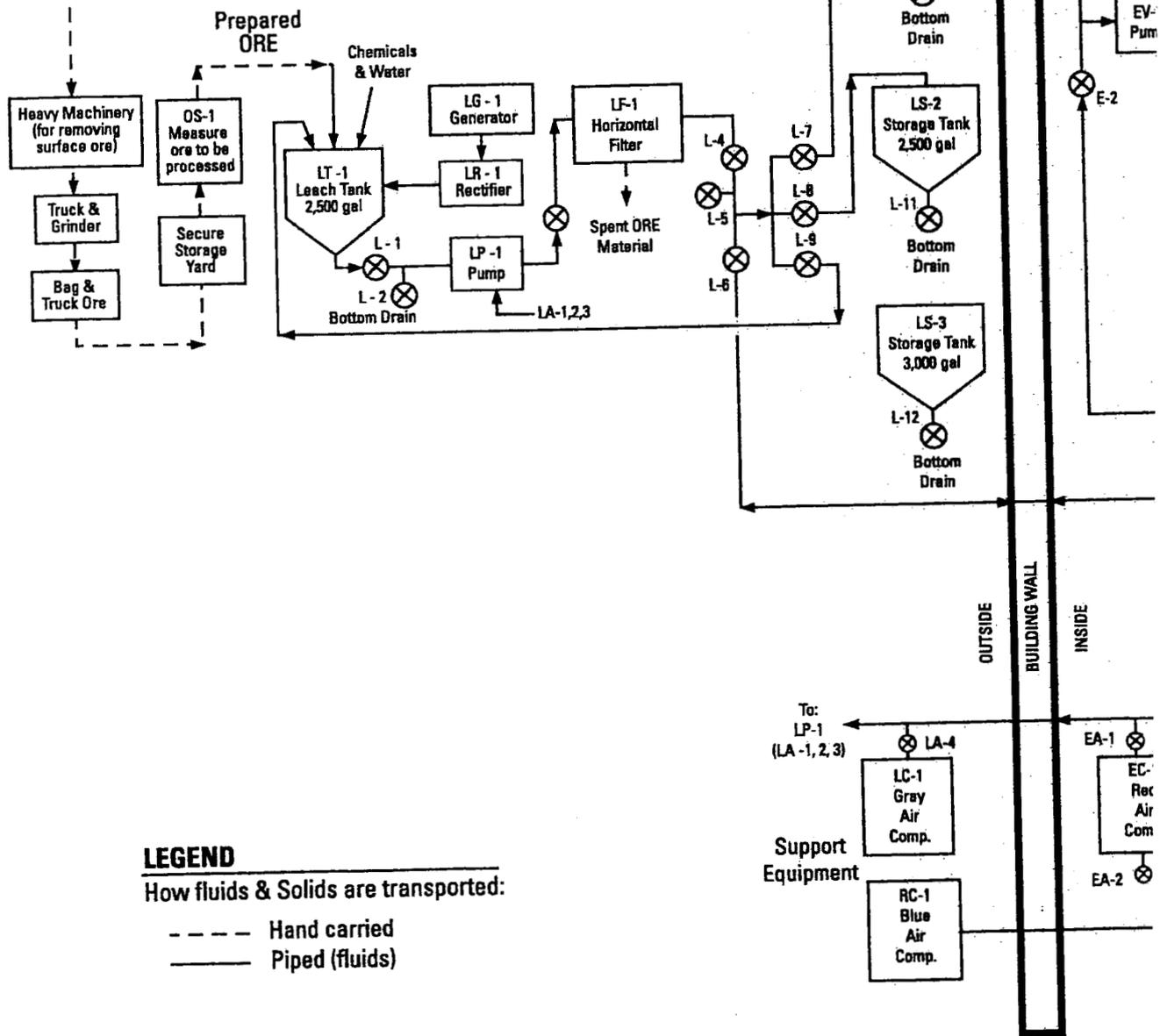
Fortunes will be made in platinum and the PGM metals market as noted before. We are on the cutting edge of this technology and have made huge steps in a very short period of time to keep the door from closing.

Agra Technologies, Inc.

William J. Pierson, CEO



Ore Material
(Cinder Cones, Etc.)



STAGE - 1

"Ore"
(Procedures: PO)

STAGE - 2

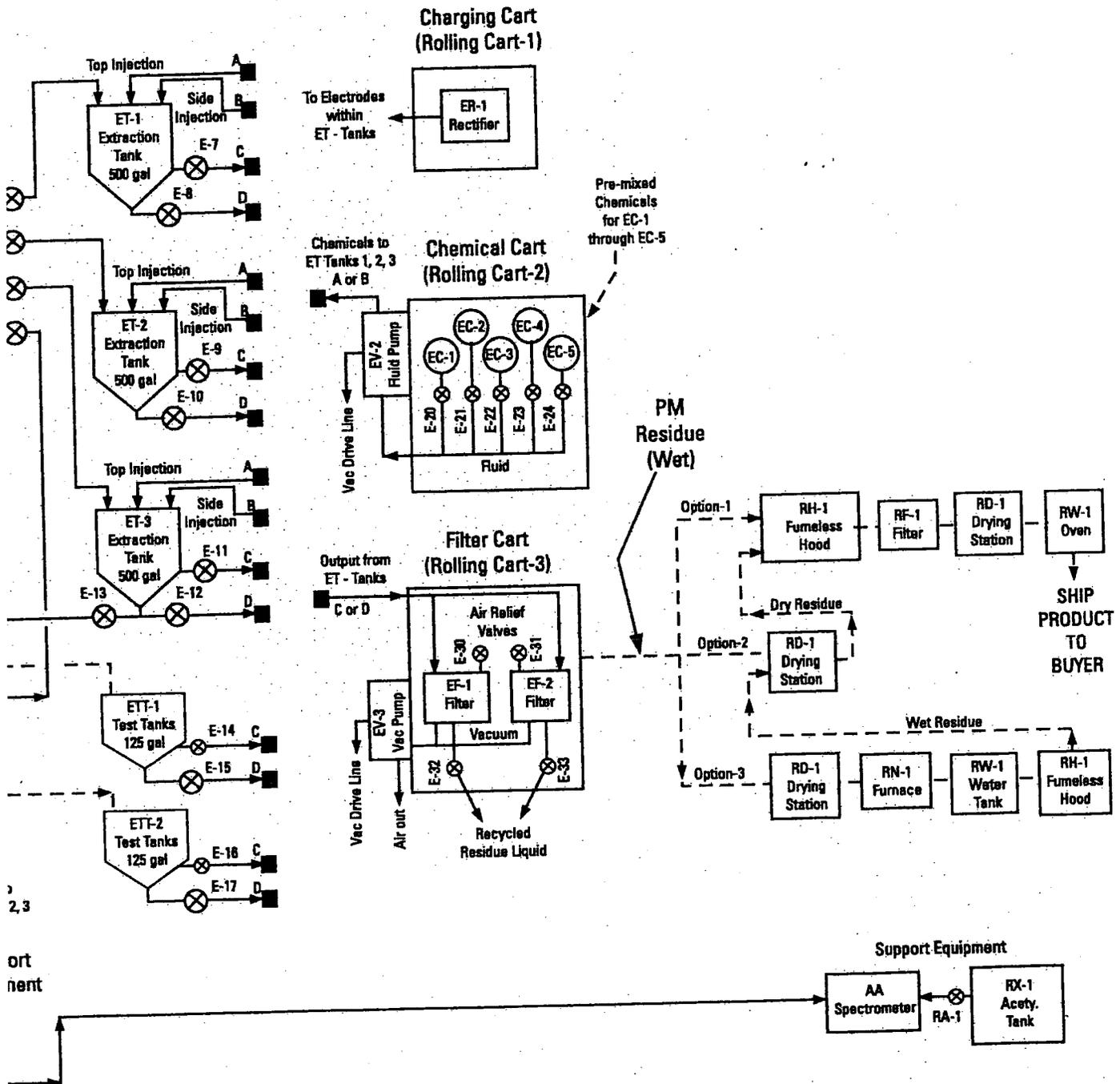
"Leaching"
(Procedures: PL)

ACC011369

LAB EQUIPMENT

(With Nomenclature)

9/16/02



STAGE-3

"Extraction"
(Procedures: PE)

STAGE-4

"Refining"
(Procedures: PR)

ACC011370

Agra Technologies, Inc.

SUMMARY OF OFFERING 2003

UNITS AND SERVICES OFFERED

This offering of 1500 units Agra Technologies, Inc.'s Platinum Recovery Project is located in Flagstaff, Arizona.

It is anticipated that this offering could include another 1500 units depending on circumstances prevailing. In the event that this becomes a reality, those participants first participating in the original Units will receive "first right of refusal" on the subsequent units.

PRICE FOR RIGHT'S OF UNITS AND SERVICES

1. The right to obtain any precious metals from Agra Technologies, Inc.'s aggregate (50 tons) is offered at \$10,000 per unit for:
 - a. 100% of the first \$50,000 of precious metal recovered from the PRINCIPALS tonnage, 20% of the next \$100,000 and 10% of the remainder of the profits from MINERS' processing of the ore.
2. This agreement also allows for the development and processing of the mineral aggregate at the price of \$200 US per ton or \$10,000 per unit. The PRINCIPAL (right's owner) of the mineral aggregate's precious metal may upon their election take the 50 tons and select another mining company to process the material. In this case, no further obligation from Agra Technologies, Inc. is warranted or necessary.
3. All recovery of precious metal will be accounted for in accordance with the companies' normal processing procedures. A copy of the processed amount of product will be supplied to the PRINCIPAL at the end of his run, showing the date processed, amount processed and rate of recovery according to atomic absorption calculations. Final results will be determined upon the refining and meltdown of the "cake" with final determination on recovery made at that time. The PRINCIPAL can elect to take the platinum or an amount of US funds at the current LME exchange rate.

RISK FACTORS

It is common for business transactions to contain some element of risk and the prudent person will weigh the relative benefits against the relative risks assumed. Potential PRINCIPALS are urged to make their own determination regarding their ability to assume any risks.

CONFIDENTIAL

TAB 5

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**ACC011372, ACC011373 &
ACC011374**

Resumes of Key Management

**William J. Pierson
6710 Lynx Lane
Flagstaff, Arizona 86004
520-714-9401**

Personal Data:

Born 1943 Oklahoma City, Oklahoma

High School: 1962 Graduate of Arlington High, Arlington, TX

Military: 1962 to 1965 Served honorably in the U.S. Navy aboard the aircraft carrier USS Bon Homme Richard CVA 31.

College: 1970 BS Degree in Marketing from San Diego State University.

Activity Interest:

Spectator sports: Football, Baseball, and Basketball.

Sports participation: Golf, Cycling, Swimming, Hunting, Camping, Skiing, Fishing, and Boating.

Social Interest: Theater, Musical Concerts, Dinner Parties, and Special Events.

General Background:

U.S. Navy from '62 to '65, attended Citrus College '65 to '67. Listed on the Deans' Honor Roll, and received an AA degree in business in 1967. Captain of the football team, and a field track letterman. Attended San Diego State University and earned a BS in Marketing. A leader on and off the field, voted the most valuable lineman and College All American.

Business Background:

1996-Present

Entrepreneurial skills applied to the research and development of material resources, processes and technologies related to sustainable agriculture. Formed a small group of investors, acquired identified material resources, and have been in the process of matching a business plan to select financial interests. Modifications to the current business have been made in conjunction with recognized and necessary change. Mr. Pierson's featured business expertise is best illustrated in his capacity to recognize a broad spectrum of business values from personnel too profitability.

1989-1995

Mr. Pierson was active in business acquisitions, and related developmental aspects of several companies. These encompassed land development, mining and manufacturing. The companies were both privately and publicly held. Business skills were applied in international contract negotiations, financial analysis, feasibility studies, and marketing profiles. The companies were Mariah International, Inc., Mark VI, Sportsflex and R.O.T.E. Marketing. Interest in these companies was held as an officer, director and a shareholder.

1984-1989

Exec. V.P. Bauska Manufacturing: Mr. Pierson expanded the existing business, assisted with the plans for several new, but related business ventures. Developed Corporate Offices, literature, mail order catalogs, advertisements, ad campaigns, and national sales networks.

1975-1983

Mr. Pierson was Vice President, and a major shareholder, of the leading wholesale roofing supply company in California. He managed 14 long haul trucks, 5 local delivery trucks 45/50 employees, ordered the majority of product inventory, its pick up and delivery and was responsible for or coordinated the majority of the sales. Sales grew from \$9 million in '75 to \$24 million in '83. Held financial interests in and served on the board of several other businesses.

EXTRA CURRICULAR

Mr. Pierson is the recipient of awards from, and has been called upon to speak to, the Exchange Club, V.F.W., American Legion, Eagles, Lions, Billy Graham, the Freedom Foundation and others. He has served on several boards, committees and councils. He has put together major fundraisers, association golf tournaments and regional seminars.

RICHARD A. CAMPBELL
7202 W. Sandra Terrace Ave.
Peoria, Arizona 85382
623-487-1371 ph/fax
Email: smoky949@earthlink.net
Cell: 949-689-4186

30 years of experience in sales, marketing and administration. Excellent verbal and written skills with the ability to communicate effectively at all levels of business. Mr. Campbell has written many articles on remineralization and sustainability.

I. PROFESSIONAL EXPERIENCE

1995-Present

Active in business start-ups, acquisitions, mergers, with both public and private companies. Developed business plans for several firms, negotiated mergers with Triumph Steel, Aimco, and has prepared business plans for Agra Technologies, Inc. which he is a major shareholder and Gumat Technologies, Inc., for which he is a Officer, Director and major shareholder, D & B Enterprises International, LLC and Eureka Technologies for which he is an Officer and shareholder.

1992-1995

Officer/Director of Mariah International, Inc., and Guild Mark Industries, Inc. (MG Resources, Inc. NASDAQ) Vice President, Special Projects and Corporate Secretary for both companies. Oversaw daily operations and was responsible for many of the company's major decisions. Also Director of Operations for Merrill Crater Mining and Minerals LLC. Responsible for the construction of a pilot plant facility to test microscopic ores that contained precious metals. Plant was built within both time constraints and financial considerations.

1989-1992

Developed SportFlex, a fundraising vehicle for amateur sports at the college level, and was involved in the sale and administration of this program to alumni supporters at many universities across America. This program was sold to American National Life.

1987-1989

Joined Metmor Financial, a division of Metropolitan Life, as a consultant to market, sell, and administer group insurance products to existing client base, using flex benefits including pension, 401(k), life, Health, Dental and other group products.

1977-1987

Started R.A. Campbell Company and was one of the most successful group insurance marketing and flex administration specialists in California. Author of "Employee Benefit Programs and Their Sale to the Consumer."

- 1975-1977 Advanced from Sales Manager to Vice President of Marketing at Pacific Allied Insurance, Inc. Wrote more business than any other individual in the history of the group insurance business and responsible for over 500 sales and \$13,000,000 in premium.
- 1973-1975 Sales representative for Pacific Mutual Life Insurance Company and as a new group underwriter, wrote more group medical and dental business than any other sales representative had ever written with Johnson & Higgins. Cultivated in excess of 50 brokers who requested his assistance in the sale/administration of products.
- 1967-1973 Dental consultant for the L.D. Caulk Company with his area the nation's number one in sales. In 1972, wrote more business at the National Dental Association meeting in San Francisco, California than any other consultant in the company's history. Responsible for sales/marketing efforts of 140 salespeople.

II. EDUCATION

BS Business Administration, University of Redlands, Redlands, CA
La Salle University School of Law, Chicago, IL
University of California, San Diego, CA

Author of The Earth, the Soil, the Solution, a treatise on soil remineralization. Mr. Campbell is considered a specialist in the area of soil remineralization using highly mineralized igneous basalt rock ground to a specific specification in lieu of manufactured chemicals for fertilization in a growing soil medium to create "good tilth" for the soil.

Boris V. Levinsky, Ph.D

Date of birth: 15 January 1935 , city of Leningrad, Russia

Education:

1952-1957 Irkutsk State University, Irkutsk, Russia

Chemical faculty.

1960-1964 Moscow State Institute of Rare Metals , Russia

Advanced studies, research and confirmation of the degree "Master of Sciences".

1982-1983 Moscow State Institute of Chemical Technologies, Russia

Advanced studies, research and confirmation of the degree "Doctor of Sciences".

Professional experience:

1957-1969 State Research Institute of Rare Metals. Irkutsk, Russia

Researcher, Senior Researcher

Started Scientific career and advanced research on the subject "Flotation and Beneficiation of Ores". During these years has created and developed new flotation reagents for the mining industry of the former Soviet Union. Has created and developed new flotation technology of Barytes Ores in 1959, on the base of this research work has confirmed the degree "Master of Technical Sciences".

1969-1974 State Medical Institute. Irkutsk, Russia

The Dean of Chemistry and Physics faculty

In 1969 was invited to the State Medical Institute to teach General Chemistry and develop experimental facilities for advanced students. Main subject during those years was Colloid Chemistry. Also has started Scientific research on the subject "Potential of Reductive-Oxidative processes in early diagnostics of cancer".

1974-1996 State Research Institute of Rare Metals. Irkutsk, Russia

The Head of the Laboratory of Physics and Chemical Research

Realized State order to create and set up technology to protect Gold mining grounds from seasonal frost in the Northern Regions of the former USSR. Further, this technology was sold by the former Soviet Government and successfully set up in China. At the same time with the group of colleagues developed technology of insulation material manufacturing for the Construction Industry of the former USSR. Presently, this technology is widely used in the Northern Parts of Russia. This research confirmed the degree "Doctor of Technical Sciences". During these years seriously started the research in the field of production and usage of Humic Acids and their Salts. In 1993 has discovered and developed the New Technology of Humic Acids conversion into Humic Acid Salts. This discovery has allowed to start commercial manufacturing, development and wide usage of Highly soluble Humate products in Agriculture.

1996 -2001 Gumat Limited Irkutsk, Russia

Director and founder. Inventor of "Gumat / Humates technology manufacturing"

Main Business: Manufacturing, supply and export of Potassium / Sodium Humates and other Humate related products.

Scientific research: Continues and Finances advanced scientific research of Humic Acids and their influence on the system "Plant-Water-Soil", with colleagues - scientists from Irkutsk State University. During 3 years of the constant research and manufacturing has developed 5 new products, successfully supplied at the Russian market. Set up and finances experimental base in Eastern Siberia under the supervision of the representative of Ministry of Agriculture of Russian Federation.

2001 TeraVita Limited, Lancaster, PA, USA

Director of the research

Realization of the Russian "know-how" of manufacture six humic preparations, research on restoration infected soils and problem areas in golf clubs.

2003

Dr. Levinsky



Dr. Levinsky holds over 60 patents/inventions. Among the more notable are:

1. N229352, USSR, "The Flotation Method of Apatite and Gold Separation."
2. N331612, USSR, "The Flotation Method of Sulfide and Gold Ores."
3. N832819, USSR, "The Method of Foam Separation."
4. N890680, USSR, "The Method of the Selective Desorption Ions of Metals from Water Solutions."
5. 916414, USSR, "The Appliance for Foam Concentration."
6. 369263, USSR, "The Method of Protection Mining Grounds from Seasonal Frosts."
7. USA Patent N4199547, Canadian Patent N1123564, German Patent N2752311, "The Device for Foam Plastic Manufacturing."
8. N2036190, Russia, "The Manufacturing Technology and the Application of Humate products."
9. N2104988, Russia, "The Manufacturing Technology of Humate Fertilizers."

During his professional life Dr. Levinsky has developed a strong working relationship with the owners of D & B Enterprises International, LLC and is available to assist in any of the areas of his expertise at a moment's notice. He currently resides in Moscow, Russia and visits the US several times a year to visit with his friends in Arizona.

ACC011382
AGRA TECH.



Agra Technologies, Inc.

Platinum Recovery Project – 2003

Prospective PRINCIPALS are being offered an opportunity to purchase the rights to precious metals in mineral aggregate on a tonnage basis from Agra Technologies, Inc.. The company may be retained to also process the aggregate purchased by the PRINCIPAL.

Agra Technologies, Inc. has 75,000 tons of PGM's cinder located in Flagstaff, AZ, which will be used for this project. See Company information packet.

The prospective PRINCIPAL of the precious metal bearing mineral aggregate can receive the following benefits:

- PROJECTED POTENTIAL RETURN ON CASH - 7.02 times the original initial purchase. Or, 700+% based on current valuation (*including initial payment*).
- TAX DEFERRED INCOME – It is the opinion of our tax consultants that until the platinum is sold and converted to dollars, the gain is not taxable.
- NOT A LIMITED PARTNERSHIP – This is a Schedule C deduction, If used.
- VERIFICATION OF CLAIMS – Recent geology and assay reports verify and validate the presence and recovery potential of the PGM's.
- INDEPENDENT VERIFICATION – MTB an independent evaluator of precious bearing metals, PGM's, has verified and validated the recovery process developed by Galleon Technology & Development Corp.
- PROCESSING MATERIAL – After purchasing the rights to the material containing the PGM's the PRINCIPAL may remove and process the ore by means other than those used by Agra Technologies, Inc.

The foregoing summary is for informational purposes only and should not be construed as an offer to sell nor a solicitation to buy a unit in the Agra Technologies, Inc. program nor an offer to sell nor a solicitation to purchase a unit in the Agra Technologies, Inc. program. No part of this memorandum may be reproduced or used in any form or by any means- graphically, electronically, or mechanically, without the written permission of its producer. It is highly recommended that the readers rely solely on their own judgement and experience as they utilize any of the ideas contained herein.

This summary was designed to provide accurate and authoritative information in regard to the subject matter covered. It is presented with the understanding that the author is not engaged in rendering legal, accounting or other professional services. If legal advice or other professional assistance is required the services of a competent professional person should be sought.

From a Declaration of Principles jointly adopted by a Committee of the American Bar Association and a Committee of Publishers and Associations.

Agra Technologies, Inc. Assumptions 2003

Agra Technologies, Inc. Assumptions for calculation purposes to the
Option Project – 2003

- Agra Technologies, Inc. owns over 5,000,000 tons of Sheep Hill cinder containing Platinum Group Metals (PGM's)
- Each Unit: \$10,000 US
- Total Number of Units Available: 1500 Maximum
- Each Unit:\$10,000 purchases THE RIGHT'S to 50 tons of platinum bearing ore for processing
- Development & Processing Costs to the PRINCIPAL: \$200 per ton or \$10,000 per Unit
- Recovery Allocation: PRINCIPAL receives 100% of the first \$50,000 of platinum processed, 20% of the next \$100,000 and 10% of the remainder of platinum produced in the MINERS ore body.
- Platinum: \$650 per ounce
- Anticipated Return*: \$70,250 to PRINCIPAL per Unit. = 700+%

Units Obtained for Processing	Ounces Per Ton'	Participant Income in Dollars US
1	1	\$22,500
1	2	\$51,000
1	3	\$57,000
1	4	\$64,000
1	5	\$70,250*

NANOTECHNOLOGY and the BIG CHANGES coming from the INCONCEIVABLY SMALL

SCALE, It's all about SCALE.

Nanoscience takes as its subject the realm of the infinitesimally small, tinier than the tiniest atom. If the measurement known as a nanometer were scaled up to the width of your fingernail, then your fingernail would be the size of Delaware and your thumb would be the size of Florida. This is the domain of the nanometer – the nanocosm – is a *serious* kind of small.

In dealing with platinum group metals and the recovery of incomplete molecules we're dealing in the world of the tiny, or we should say, teeny tiny. One thousandth of a gram is a *milligram*, one thousandth of that – a millionth of a gram – is a *microgram*. A thousandth of a micro-unit, or billionth of something, is expressed by the prefix *nano* – from *nano*, classical Greek for *dwarf*. That is what we are dealing with here.

While the word *nanotechnology* has gained wide currency, its use to mean something already in existence was initially premature. Even today the nanocosm has not generated much solid technology. It's about to that's inevitable. But the bulk of it is a few years, and in some cases more than a decade away.

Still nanoscience has recently made such staggering gains that it is undeniably on the brink of a true nanotechnology. We have now mapped enough of the nanocosm to let us make educated guesses about the type of world it will soon support. These estimates range from the merely surprising to the wig-flippingly outrageous. Some very big changes in business are about to come to us by the way of the extremely small.

The recovery process that we will utilize for the extraction of precious metals, namely platinum at this time, is based in "nanotechnology". Five years ago this would not only have been unachievable, it would have been considered scientifically unfounded. Thanks to those who had the foresight to look at what the possibilities were and to persist, methodology has been developed incorporating this science, capable of growing matter through a selection process, in a stable environment. The learning curve for this form of precious metal growth is still being drawn. We expect to "grow" the investment in defined resources, using these newly developed nano-techniques, as we have repeatedly been successful in extracting molecules heretofore unavailable under any circumstances.

We have confidentially reviewed this technological process with a globally recognized leader in the field of analytical study, and they confirmed our findings, writing a 300-page document, further authenticating the process. What we are offering in our presentation to you is quite simple. We give up some platinum, which we give to you for your investment. You make an extraordinary return on your money, and we keep our company and its shareholder base at a manageable number. In the final analysis, you must read our material; sign the disclosures, mining and ore contracts, put up your money and watch us grow.

Nanotechnology will not content itself with revolutionizing the grand things: economy and culture and democracy. It will alter, from the inside out, the myriad small details that affect us – how we stay healthy, how we spend leisure time, how we raise our children. The nanocosm that supports these widespread changes may not always be apparent, but perceived or not, it will be the agent of revolution.

DEVELOPMENTS FROM NANOSCIENCE

- Self-assembly of small electronic parts, based on artificial DNA or guest-host systems
- Complete medical diagnostic laboratories on a single computer chip less than one-inch square
- Light, efficient ceramic car engines
- Drugs, and drug-delivery systems, that turn AIDS and cancer into lower-level, manageable conditions – as juvenile diabetes is today
- Traditional categories for science and technology (e.g. chemistry, metallurgy) start to blur
- Guyed structures 30-100 miles high, used for satellite launches and direct communications
- Cosmetic nanotechnology, including permanent hair and tooth restoration

At a time of astonishing and rapid advances in what we know of our own world, Agra Technologies, Inc. will no doubt record the twenty-first century as the Renaissance of the Nanocosm as it charts these first great voyages of discovery into a bizarre new realm. One that is small in size..... but epic in meaning.

CONFIDENTIAL

TAB 5

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**ACC011386, ACC011387 &
ACC011388**

ACC011389
AGRA TECH.

TAB 6

CONFIDENTIAL

TAB 6

Pages 1 - 2

ACC009732 & ACC009733

Bank of America ChPt Fund Project Fee/L

king

**12,500.00

9/11/03

DCM Marketing Group LLC

ACC009734
AGRA TECH.

SUPPORT DEFENDERS OF WILDLIFE



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9/10/03

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HELP SAVE WILDLIFE AND WILDLIFE HABITAT

ACC009735
AGRA TECH.



5800 N. Dodge Ave. Bldg. A
Flagstaff, Arizona 86004
928-526-2275 Fax: 2269
www.agra-technologies.com

November 22, 2005

ORIGINAL

Mr.

Anmore, B.C. V3HAY6
Canada

Subject: Acknowledgement of Ore Rights & Mining Agreement

Dear Mr.

We hereby acknowledge receipt of your agreement for participation in Phase II Extended of the Ore Rights & Mining Project with Agra-Technologies, Inc. We have enclosed a copy of your agreement, signed for Agra-Technologies, Inc. and recorded on your behalf.

Alpine Trading, LLC will be kept apprised of all activities, and subsequent progress regarding your Ore Rights & Mining Project, for Phases I/II, for the benefit of all those involved. We thank you for allowing us to process your ore entitlement, and we look forward to servicing the agreement for maximum results.

Best regards,

A handwritten signature in black ink, appearing to read "William J. Pierson".

William J. Pierson
President & CEO

ACC010550
AGRA TECH.

CONFIDENTIAL

TAB 6

Pages 6 - 9

**ACC010551, ACC010552,
ACC044674 & ACC044675**



5800 N. Dodge Ave. Bldg. A
Flagstaff, Arizona 86004
928-526-2275 Fax: 2269
www.agra-technologies.com

March 10, 2006

Mr. & Mrs.

ORIGINAL

Marysville, WA. 98270-8864
USA

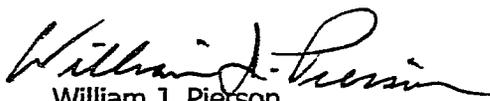
Subject: Acknowledgement of Ore Rights & Mining Agreement

Dear Mr. & Mrs.

We hereby acknowledge receipt of your agreement for participation in Phase IV of the Ore Rights & Mining Project with Agra-Technologies, Inc. We have enclosed a copy of your agreement, signed for Agra-Technologies, Inc. and recorded on your behalf.

Cinder Mountain Company will be kept apprised of all activities, and subsequent progress regarding your Ore Rights & Mining Project, for the benefit of all those involved. We thank you for allowing us to process your ore entitlement, and we look forward to servicing the agreement for maximum results.

Best regards,


William J. Pierson
President & CEO

ACC010802
AGRA TECH.

CONFIDENTIAL

TAB 6

Pages 11 - 12

ACC010803 & ACC010804

TAB 7

AFFIDAVIT OF GARY R. CLAPPER

I, Gary R. Clapper, being duly sworn, deposes and says:

1. I am a citizen of the United States of America. I currently reside in the State of Arizona.
2. I am a certified Peace Officer in the State of Arizona, and currently am employed by the Arizona Corporation Commission, Securities Division as a Special Investigator.
3. I previously served as a Peace Officer with the Tempe, Arizona, Police Department for over twenty years. I retired from that agency on January 16, 1998. During that employment, I was assigned to various work areas including Patrol, Traffic and the Criminal Investigation Divisions, Selective Enforcement Unit, Crime Prevention and as the Public Information Officer. My duties while assigned to the Criminal Investigations Division included both initial and follow up investigations of thefts, burglaries, identity theft and various types of fraud. These cases involved tracing of individuals and their financial resources to determine how the funds were acquired and then disbursed. I was the affiant on search warrants involved with the investigation of these cases. I used and controlled confidential informants who provided me with relevant information regarding various offenses.
4. From the end of January 1998, until July 2001, I worked for a private law firm in Tempe, Arizona, as a staff investigator. My duties included reviewing police reports involving the arrest of the firm's clients, interviewing officers and witnesses involved with the case, making recommendations to the staff attorneys concerning weakness with the case and testifying as a witness with my training and experience. These cases involved driving under the influence, assaults, homicide, and various types of thefts.
5. Since September 2001, I have been employed as a Special Investigator for the Securities Division of the Arizona Corporation Commission (the, "Securities Division"). In that capacity I conduct investigations involving the offer or sale of securities from or within the State of Arizona, by registered or unregistered securities dealers and/or salesmen, determining if the Securities Act of Arizona, the Investment Management Act, or any other provisions of the Arizona Revised Statutes have been violated. I develop, obtain, record and secure evidence and other documents, memorialize actions and pertinent conversations, including witness and victim interviews. I initiate investigations based on complaints or inquiries from the public, review investigative files, and initiate proactive investigations. I also assist in the preparation of legal documents, including subpoenas, affidavits, administrative and civil actions and criminal reference reports. I have conducted numerous criminal and fraud investigations, including investigations of securities fraud and theft.

6. Since I have been employed at the Securities Division, I have expanded my expertise in securities fraud investigation by consulting with other investigators, with attorneys within my agency, with agents and attorneys of the Arizona Attorney General's Office, with FBI and IRS agents, Postal Inspectors and members of the U.S. Attorney's Office. I have testified in Maricopa County Superior Court and the U. S. District Court in Phoenix, Arizona on other fraud cases I have investigated while employed with the Securities Division. I have also attended training courses and seminars conducted by the North American Securities Administrators Association (NASAA), the National White Collar Crime Center (NW3C), as well as various training seminars conducted by the Securities Division itself. I have also spoken with professionals in the banking, insurance and investment industries, and have interviewed numerous investors that have been exploited by fraudulent schemes. These individuals have told me of some of the many ways in which those who prey on unsophisticated and sophisticated investors conduct their illegal business. I also communicate with other State and local law enforcement personnel, who specialize in this area, on a regular basis.

7. This affidavit is based on my personal knowledge and my training, experience, and participation in investigations involving fraud and violations of the Arizona Securities Act and the Investment Management Act as well as other provisions of the Arizona Revised Statutes in relation to my work with the Securities Division, and my involvement in, and investigation with respect to *In re Agra-Technologies, Inc., et al.*, Docket No.: S-20484A-06-0669 including, without limitation: (a) my communications with witnesses, investors and some of the Respondents; (b) my participation in the examinations under oath of Respondents and a witness; (c) my review and analysis of tens of thousands of pages of documents obtained by the Securities Division from Respondents and others discussed, in part, below; and (d) my research and analysis regarding Respondents' purported precious metal recovery business.

8. I caused to be served administrative subpoenas for documents on Respondents Agra-Technologies, Inc. ("Agra"), William Jay Pierson ("Pierson"), William H. Baker ("Baker"), acting Agra Custodian of Records, Richard Allen Campbell ("Campbell"), Jerry J. Hodges ("Hodges") and Lawrence Kevin Paille ("Paille") (collectively, the "Subpoenas").

9. In response to the Subpoenas, Respondents produced to the Securities Division substantial amounts of documents including, without limitation, substantial amounts of both executed and sample/standard form "Ore Rights & Mining Agreements" (the "Unit Contract" investments) offered and sold by Respondents. The documents reviewed and analyzed by me include, in part: (a) Paille produced Unit Contract Documents, ACC015304-ACC015338; (b) Paille Prepared & Signed Statement Regarding Unit Contract Documents, ACC015303; (c) Small Sample of Hodges produced Unit Contract documents, ACC075084-ACC075087; (d) Campbell produced Unit Contract Documents, ACC006988-

ACC007023; (e) Agra, Pierson and Baker produced Unit Contract Documents, ACC011353-ACC011389; and (f) Small Sample of Executed Unit Contract Documents Provided by Agra, Pierson & Baker, ACC009732-ACC009735, ACC010550-ACC010552, ACC044674-ACC044675 & ACC010802-010804.

Ore Rights & Mining Agreements

10. The documents produced by Respondents and others demonstrate that Respondents offered and sold the Unit Contract investments within and from Arizona from at least July 2003 to September, 2006.

11. Based on my review of all of the Unit Contracts and related documents produced by Respondents and others, including, without limitation, Respondents' tax returns and produced Unit Contract documents, I calculated that Respondents sold approximately 1,000 Unit Contract investments for approximately \$10,580,000 to approximately two hundred investors residing in numerous states and abroad, including: (1) Alabama; (2) Arizona; (3) California; (4) Colorado; (5) Delaware; (6) Florida; (7) Hawaii; (8) Indiana; (9) Maryland; (10) Minnesota; (11) Montana; (12) Nevada; (13) New York; (14) North Carolina; (15) Ohio; (16) Oregon; (17) Rhode Island; (18) Texas; (19) Utah; (20) Virginia; and (21) Washington, and throughout Canada, Britain and Bermuda. Given their wide geographical disbursement and their inability to extract any precious metals from the Sheep Hill volcanic cinders, I have reviewed no evidence or documents demonstrating that any Unit Contract investors have made any arrangements or attempted to haul their volcanic cinders to their residence to process them in an attempt to individually obtain any precious metals they may contain.

12. Based on my review of documents produced by Respondents including, without limitation, their tax returns, the Unit Contract investors' money represented Respondents' primary source of cash receipts and/or operating capital.

Dated: Phoenix, Arizona
County of Maricopa

JUNE 11, 2007



Gary R. Clapper
Special Investigator
Securities Division

I hereby certify that this is the original affidavit sworn to and subscribed to before me by Gary R. Clapper on June 11, 2007, in Phoenix, Arizona, County of Maricopa.

 _____ Notary



Notary Public State of Arizona
Maricopa County
Ronald R. Clark
Expires May 05, 2007

_____ My commission expires on

TAB 8

AGRA-TECH UPDATE, OCTOBER 31, 2005

Prepared by: Jerry Hodges and Larry Paille
Date: 10/31/05

Agra-Tech stock offering:

All of the original stock that was offered for sale has been purchased, or has been reserved pending receipt of payment.

The good news is that Cub was very pleased with how the completion of the stock deal went; and therefore, has offered more stock for us to sell.

We will have somewhere between 120,000 and 250,000 additional shares available. These additional shares will be sold for \$1.65 per share and must be purchased by cash or check. Promissory notes cannot be offered since the original owners must be paid for their shares. The same process will be used to purchase these additional shares.

With these additional shares, everybody on the "want to buy stock" and "want to buy additional stock" will be able to get the shares they have requested. These additional shares will be offered to everybody on the current lists, and then will be offered to any mining contract investor on a first-come, first-served basis.

To purchase these additional shares, contact either Jerry or Larry and indicate how many shares you wish to purchase. A stock offer agreement will be emailed to the buyer, who should return the completed stock offer agreement with payment payable to "Imatire Engineering Services LLC". The address to mail the completed offer and payment is shown on the stock offer agreement.

The Agra-Tech stock is a very good deal at \$1.65 per share and is poised for great capital gains in the next few years. The increases in the stock valuation will occur when additional income streams are turned on by Agra-Tech. For example, the stock will gain value once the pilot plant goes into production, when the 3X plant goes into production, when the Agramin product goes into production, and when company debt is reduced, such as when the mining contracts are paid out.

The stock can be sold to take advantage of the capital gains. But even better, the dividends from the stock can be used to generate an income stream. With enough stock, sufficient dividends can be generated to pay for all monthly living expenses.

Assuming a 50X increase in the value of the stock and 5% annual dividends, 10,000 shares of Agra-Tech stock is estimated to produce \$41,250/year of dividend income. This projection is an estimate and will depend in part on market forces beyond the control of Agra-Tech. This level of dividend income is expected to be achieved in 3 to 5 years; in other words, 50X gain in stock valuation is expected in 3-5 years. The chart below shows the estimated annual returns based on a range of capital gains and assuming 5%/year dividends:

AGRA-TECH STOCK ESTIMATED ANNUAL INCOME FROM DIVIDENDS

Original purchase cost:	\$1.65	per share
Dividend percent of value:	5.00	percent

Number of shares	Total share cost	Annual dividends as a function of capital gains (multiple of original purchase cost)					
		12 X	25 X	37 X	50 X	75 X	100 X
2,000	\$3,300	\$1,980	\$4,125	\$6,105	\$8,250	\$12,375	\$16,500
4,000	\$6,600	\$3,960	\$8,250	\$12,210	\$16,500	\$24,750	\$33,000
6,000	\$9,900	\$5,940	\$12,375	\$18,315	\$24,750	\$37,125	\$49,500
8,000	\$13,200	\$7,920	\$16,500	\$24,420	\$33,000	\$49,500	\$66,000
10,000	\$16,500	\$9,900	\$20,625	\$30,525	\$41,250	\$61,875	\$82,500
20,000	\$33,000	\$19,800	\$41,250	\$61,050	\$82,500	\$123,750	\$165,000
30,000	\$49,500	\$29,700	\$61,875	\$91,575	\$123,750	\$185,625	\$247,500
40,000	\$66,000	\$39,600	\$82,500	\$122,100	\$165,000	\$247,500	\$330,000
50,000	\$82,500	\$49,500	\$103,125	\$152,625	\$206,250	\$309,375	\$412,500
60,000	\$99,000	\$59,400	\$123,750	\$183,150	\$247,500	\$371,250	\$495,000
70,000	\$115,500	\$69,300	\$144,375	\$213,675	\$288,750	\$433,125	\$577,500
80,000	\$132,000	\$79,200	\$165,000	\$244,200	\$330,000	\$495,000	\$660,000
90,000	\$148,500	\$89,100	\$185,625	\$274,725	\$371,250	\$556,875	\$742,500
100,000	\$165,000	\$99,000	\$206,250	\$305,250	\$412,500	\$618,750	\$825,000

The first share certificates have been issued by Agra-Tech. Once payments arrive, Agra-Tech is notified of the completed transaction, then the transfer agent is notified and she prepares the new certificates. The certificates are mailed out as soon as they are completed. All share certificates should be issued by the end of the year.

Next investor plant tour:

The next investor plant tour is scheduled for Friday, November 11th. Any investor is welcome to attend; the timing of this plant tour is excellent, as it will allow investors to get updates on the latest testing and revised schedules on the production start date, as well as first payouts.

Anyone interested in attending should contact Jerry at (928) 284-2668 or email Jerry at jerry@mindbodyhealth.com.

The schedule for the tour is to meet with Bill and Dick for breakfast at 9:00 am at Little America in Flagstaff. After breakfast the group will go out to the facility for a tour, and then go to the office for execution of any mining contracts. Typically, the tour wraps up around 2:00 pm in Flagstaff.

Anyone flying in should arrive the night before. Investors can depart on a late evening flight on Friday; however, it is recommended to leave on Saturday. This will give you the opportunity to have dinner with Jerry and the other investors on Thursday and/or Friday evening. Larry will not be able to attend this tour, as he will be out of town.

The recommended place to stay is the Desert Quail Inn in Sedona. Reservations can be made by calling them directly at (928) 284-1433. Mention Jerry Hodges / Agra-Tech name to get the special discount; the nightly rate should be in the \$68 - \$85 range.

Current pilot plant status:

Peter Gillespie has solved the manganese and sulfur problem using an environmentally safe process that will easily fit into the "green" nature of the remainder of the process.

Agra-Tech is currently in the process of building a larger ammonia scrubber. This larger unit will reduce the chemical reaction time from a couple of days to several hours. The benefit will be a decrease in cycle time of this process step, which will eliminate this step as a capacity limiter. The scrubber is used to collect the ammonia for re-use.

Plant conversion activities are currently in progress. In addition, a third 6 ton test has been started. This "test run 3" run incorporates all the changes made from the last 6 ton test, including the process to control sulfur and manganese. Results from the "test run 3" run will be available during the third week of November.

Bill, Dick, and Peter's confidence is at an all time high since the technical risks have virtually been eliminated. Now, it is just a matter of time to get the modifications done and get the plant running!

Estimated plant schedule:

The current schedule is to have the plant in production by the end of this year. That will put the **estimated** first Phase-I payout in the February/March timeframe.

Agra-Tech's goal is to accelerate the schedule as much as possible; however, the schedule presented in this update is considered reasonable at this point in time.

Please keep in mind these schedules are **estimates** based on the best information at this point in time and are subject to change.

Estimated Phase-II payout schedule:

At this point, it is very difficult to estimate when Phase-II payouts would begin. This is highly dependent on how quickly the facility is ramped up to full production.

However, given the information to date, Phase-II payouts are expected to occur 6 months after the Phase-I payouts begin. Given a Phase-I payout start of March, Phase-II payouts are expected to begin in September. Remember, this schedule is an **estimate** and will very likely change.

Estimated yield:

The results from the 6 ton test were better than the previous 1 ton test. Even though the numbers were better, Agra-Tech was not willing to set the expectations higher at this point; therefore, the yield table below is the same as the last update. Agra-Tech was even more confident that the numbers presented below appear to be good, solid minimum numbers. Please keep in mind, the returns are not only based on yield, which is under the control of Agra-Tech, but the price of platinum, gold, and silver, which are controlled by external factors. The table below assumes prices of platinum, gold, and silver at \$905, \$442, and \$6.97.

The following table shows the estimated yield, based on current test data. **These numbers are estimates and are based on the best information to date.** The 100% yield number is the expected yield; yields ranging from 50% of target to 200% of target are also shown. The chart below shows the expected returns from all metals (platinum, gold, and silver) and does NOT include the rollover returns.

ESTIMATED RETURN CHART	
Yield	Estimated return
50% of target	\$54,358
60% of target	\$57,629
70% of target	\$60,901
80% of target	\$64,172
90% of target	\$67,444
100% of target	\$70,358
110% of target	\$71,993
120% of target	\$73,629
130% of target	\$75,265
140% of target	\$76,901
150% of target	\$78,536
160% of target	\$80,172
170% of target	\$81,808
180% of target	\$83,444
190% of target	\$85,079
200% of target	\$86,715

Assumptions:

1. Expected yield is "100% of target"
2. Returns based on current price of metals
3. Returns are estimates and not guaranteed

Sales of additional mining contracts:

Mining contracts are still being accepted. This is an excellent opportunity to make any additional investments. Based on the latest meeting with Bill Pierson and Dick Campbell, the outlook of the company is super. The new mining contract investment revenue will be used to buy equipment and make the necessary plant modifications to convert the plant from the old Gallon process to new KMH process and continue to fund the company operation until they get into full production.

Existing Phase-I and Phase-II investors may continue to use the roll-over contract for new mining contract investments. New investors and Phase-IV investors may continue to use the Phase-IV (non-roll-over) contracts for additional investments.

Anyone interested in purchasing more mining contracts should contact either Jerry or Larry; the correct mining contract will then be emailed to the investor. The investor will print the contract, fill it in, and send it to the specified address with a check payable to Agra Technologies, Inc.

Through Agra-Tech we would like to extend a \$500 commission or referral fee for each new \$10,000 Ore Mining Unit you bring into Agra-Tech. Yes, this means you will receive \$500 US for each new unit you sell. This offer is good from this date, October 7, 2005, forward and doesn't cover anything in the past. So get out there and make yourself some extra money and also help Agra-Tech get into production sooner. Getting into production sooner also means payouts will also happen sooner. If you need help with the sale (contracts, sales material, personal support, etc.) we will be glad to work with you.

Contact information:

Sedona address: Alpine Trading LLC
51 bell Rock Plaza Ste A PMB 350

ACC011145
AGRA TECH.

Sedona, AZ 86351-9038

Jerry's office phone: (928) 284-2668
Jerry's cell phone: (303) 898-9840
Jerry's email: jerry@mindbodyhealth.com

Larry's office phone: (928) 284-2659
Larry's email: larry@mindbodyhealth.com < NOTE: New email address!!! >

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1 EXAMINATION UNDER OATH OF RICHARD ALLEN CAMPBELL
2 was taken on March 28, 2007, commencing at 12:30 p.m.,
3 at the Arizona Corporation Commission, Securities
4 Division, 1300 West Washington Street, Phoenix, Arizona,
5 before COLETTE E. ROSS, Certified Reporter No. 50658 in
6 and for the County of Maricopa, State of Arizona.
7
8 APPEARANCES:
9
10 For the Securities Division:
11 Mr. Mike Dailey, Staff Attorney
12 Securities Division
13 1300 West Washington Street, Third Floor
14 Phoenix, Arizona 85007-2996
15
16 For Richard Campbell:
17 PETER STROJNIK
18 By Mr. Peter Strojnik
19 3030 North Central Avenue, Suite 1401
20 Phoenix, Arizona 85012
21
22 ALSO PRESENT:
23 Mr. Gary Clapper, Special Investigator, Securities
24 Division
25 Ms. Pam Riley, CPA, Forensic Accountant, Securities
26 Division
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1 (Exhibits Nos. 25 through 31 were marked for
2 identification.)
3 RICHARD ALLEN CAMPBELL,
4 called as a witness herein, having been first duly sworn
5 by the Court Reporter to speak the truth and nothing but
6 the truth, was examined and testified as follows:
7
8 EXAMINATION
9 BY MR. DAILEY:
10 Q. This is part of an inquiry by the Securities
11 Division of the Arizona Corporation Commission in the
12 matter of in re Agra-Technologies, Inc., et al., Docket
13 No. S-20484A-06-0669, to determine if there has been
14 full compliance with the Securities Act of the State of
15 Arizona. The information obtained today may reveal
16 violations of statutes outside the Securities Act.
17 Persons present are myself, Mike Dailey, Staff
18 attorney with the Securities Division; Gary Clapper, a
19 special investigator with the Securities Division. Also
20 present in addition to the court reporter herself is
21 respondent Richard Allen Campbell and his attorney of
22 record, Peter Strojnik, S-T-R-O-J-N-I-K.
23 Mr. Campbell, you have the right to refuse to
24 answer any questions if you think the answer may tend to
25 incriminate you personally. You have the right to

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1 refuse to produce any private papers which you feel may
2 tend to incriminate you personally. You do not have the
3 right to refuse to produce corporate papers based on any
4 claim of self incrimination.
5 The reporter will note for the record each time
6 you consult with your attorney before answering. This
7 is done to ensure an accurate record. Since your
8 testimony is being recorded by a court reporter, please
9 respond verbally as opposed to nodding or shaking your
10 head. Also, please let me finish asking a question
11 before you answer so there will not be two people
12 speaking at once. If you don't hear a question or don't
13 understand a question, say so, and the court reporter
14 will repeat it or I will explain the question further.
15 You are under oath, so any false statements you
16 make may be criminally prosecuted as perjury.
17 Do you understand what I have just explained to
18 you?
19 A. Yes.
20 MR. DAILEY: Peter, Mr. Campbell, do you have a
21 recording device?
22 MR. STROJNIK: No.
23 THE WITNESS: No.
24 BY MR. DAILEY:
25 Q. Let's go ahead and look at what has been marked

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1 as Exhibit No. 25 to your examination today, which
2 begins with document Bates labeled ACC006988 to 008290.
3 Let me know when you are finished reviewing them.
4 For the record, those are the documents -- let
5 me see that. For the record, these are the documents
6 you -- my understanding is that they are the documents
7 you produced in response to our administrative subpoena.
8 So go ahead and take a look at that real quick. I need
9 to ask you questions about Exhibit No. 25.
10 MR. STROJNIK: Counsel, are you asking us to
11 look at every page of approximately ten inches of
12 documents?
13 MR. DAILEY: Well, assuming that those are the
14 documents that you produced in response to the
15 administrative subpoena, let me ask my question this way
16 for foundation.
17 MR. STROJNIK: Okay.
18 BY MR. DAILEY:
19 Q. Were these documents identified in Exhibit 25
20 prepared, received or gathered by you in the ordinary
21 course of your business with Agra-Technologies as
22 indicated on the documents?
23 A. Holy cow.
24 MR. STROJNIK: May I just note for the record,
25 counsel, that it would be extremely difficult for my

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1 client to answer yes or no to something like this,
2 especially in light of the fact that an answer that is
3 not absolutely correct may subject him to a criminal
4 prosecution for perjury.
5 I don't remember if these are the documents we
6 produced and we don't have our file with us to determine
7 whether they are or are not produced. They look like
8 the documents. But would you be satisfied with the
9 answer that they look like the documents we produced?
10 MR. CLAPPER: Do you want the document
11 inventory? I can bring it.
12 MR. DAILEY: I already printed it up.
13 I am a little troubled by that, not only because
14 not only are these documents that Mr. Campbell provided
15 through you but I also provided a courtesy copy of the
16 documents which I have that contain the Bates labels
17 that I have previously mentioned. So...
18 MR. STROJNIK: Well, can I make a suggestion?
19 MR. DAILEY: Sure.
20 MR. STROJNIK: Why don't we just take your
21 statement that these are the documents we produced and
22 then we will just answer the questions the best we can.
23 MR. DAILEY: Okay. That's a good idea.
24 BY MR. DAILEY:
25 Q. Assuming that these are all the documents that

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1 you have produced in response to the administrative
2 subpoena that we previously served on you, let me, in
3 light of that fact, which may or may not be true, once
4 again, were these documents prepared, received or
5 gathered by you in the ordinary course of your business
6 with Agra-Technologies as indicated on the documents?
7 A. Yes.
8 MR. STROJNIK: Do you understand the question?
9 THE WITNESS: Yes.
10 BY MR. DAILEY:
11 Q. Were these documents prepared in the regular
12 course of your business -- strike that. Were these
13 documents prepared in the regular course of the business
14 of your work for Agra-Technologies or by persons with
15 the same interest in Agra's business as you?
16 A. As far as I know, yes.
17 Q. Were these documents kept in the normal course
18 of business of your work for Agra-Technologies at or
19 about the time the documents were created?
20 A. I assume so, yes.
21 Q. Okay. Please state your full name.
22 A. Richard Allen Campbell.
23 Q. Have you ever used any other name?
24 A. No, Richard A. Campbell.
25 Q. Do you ever go by Dick?

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1 A. Well, Dick, yes.
2 Q. Okay. Any other way that your name has been
3 produced other than Dick?
4 A. Not to my knowledge.
5 Q. What is your current home address?
6 A. 8686 West Morten Avenue, Glendale, Arizona
7 85305.
8 Q. Thank you. How long have you resided on Morten?
9 A. One year, six months approximately.
10 Q. And where did you reside immediately prior to
11 the Morten street address in Glendale?
12 A. I have to look it up.
13 Q. To the best of your recollection.
14 A. 7202 West Sandra Terrace, Peoria, Arizona. I
15 don't remember the zip.
16 Q. Okay. And how long to your recollection did you
17 reside in Peoria?
18 MR. STROJNIK: Counsel, can I show --
19 THE WITNESS: Two or three years.
20 MR. STROJNIK: -- my client the statement of
21 personal financial condition that has got that
22 information on it?
23 MR. DAILEY: Okay. I will move on. You have
24 previously provided that to us in response, in
25 conjunction with settlement negotiations?

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1 MR. STROJNIK: Correct, correct.
2 MR. DAILEY: Okay. I will move on then. So I
3 appreciate it.
4 MR. STROJNIK: Sure.
5 BY MR. DAILEY:
6 Q. Please state your educational history beginning
7 with high school to the present, starting with high
8 school.
9 A. High school, do you want when I graduated?
10 Q. That would be fine.
11 A. 1959, El Cajon High School, El Cajon Valley High
12 School.
13 Q. In which state?
14 A. California.
15 Q. Okay. Tell me your post high school education
16 starting with on or about 1959.
17 A. Post -- I graduated from the University of
18 Redlands with a degree in bachelor of science.
19 Q. Would that have been business administration by
20 chance?
21 A. Yes. I attended the University of San Diego,
22 UCSD. I took some courses there. I also took some
23 courses at the La Salle University School of Law.
24 Q. I take it that's not accredited?
25 A. Not accredited.

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1 Q. Okay. Do you know what the current status of
2 La Salle is?
3 A. I have no idea. I took -- that was 35 years
4 ago. I still have the books.
5 Q. Okay. With respect to your employment with
6 Agra, which we will get into, would you consider
7 yourself a member of Agra's key management during the
8 times that you worked at Agra?
9 A. Yes.
10 MR. STROJNIK: I will start objecting at this
11 point, so wait for me to object.
12 THE WITNESS: Okay.
13 BY MR. DAILEY:
14 Q. Yes, just give him a little bit of a pause. If
15 you need to confer, the court reporter will note that
16 for the record.
17 MR. STROJNIK: I would belatedly object to the
18 last question on the ground that the answer might tend
19 to incriminate. And I would advise my client not to
20 answer and withdraw the answer to the last question.
21 Do you withdraw the answer to the last question?
22 THE WITNESS: Yes.
23 MR. DAILEY: And with due respect, my research
24 indicated that the Fifth Amendment is a personal right
25 which must be invoked by the respondent as opposed to an

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1 attorney.
2 BY MR. DAILEY:
3 Q. So as to that last question do you wish to
4 assert your Fifth Amendment right against self
5 incrimination?
6 MR. STROJNIK: Yes.
7 THE WITNESS: Yes.
8 MR. DAILEY: Thank you.
9 BY MR. DAILEY:
10 Q. Mr. Campbell, I am not authorized to compel you
11 to give evidence or testimony as to which you claim your
12 privilege against self incrimination. And I have no
13 intention of doing so.
14 In addition, I do not have authority to grant
15 you immunity, and I do not intend to. Any question that
16 I ask hereafter today will be with the understanding
17 that, if you want to claim your privilege, you need
18 merely state that you refuse to answer on the ground
19 that your answer may tend to incriminate you. You are
20 not compelled to answer any further questions today if
21 you wish to assert your Fifth Amendment privilege.
22 Accordingly, if you answer any questions you will be
23 doing so voluntarily.
24 Do you understand, Mr. Campbell?
25 A. Yes.

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1 Q. Have you ever taken any specific courses or
2 classes relating to stocks or investments?
3 MR. STROJNIK: Go ahead.
4 THE WITNESS: Specific courses, no.
5 BY MR. DAILEY:
6 Q. Have you ever taken any post high school classes
7 in geology?
8 A. No.
9 Q. Have you ever taken any post high school classes
10 in metallurgy?
11 A. No.
12 Q. Have you ever taken, have you ever taken any
13 post high school classes, coursework or training with
14 respect to mining?
15 A. No.
16 Q. Okay. I am going to ask for your Social
17 Security number. However, under the federal Right to
18 Privacy Act you are not obligated to answer. If you do
19 answer, the information will only be used for
20 identification purposes. What is your Social Security
21 number, Mr. Campbell?
22 MR. STROJNIK: Go ahead. We already disclosed
23 it.
24 THE WITNESS: ██████████
25 BY MR. DAILEY:

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1 Q. What is your current occupation or occupations?
2 A. Unemployed.
3 MR. STROJNIK: I didn't know that was an
4 occupation. Is that an occupation?
5 BY MR. DAILEY:
6 Q. Backing up to your last employment or
7 occupation, could you tell me immediately prior to your
8 unemployment where you worked?
9 A. Agra-Technologies.
10 Q. What was your position or positions and
11 responsibilities with respect to Agra-Technologies?
12 MR. STROJNIK: With respect to this question, I
13 advise my client to take the Fifth Amendment to the
14 Constitution of the United States and respectfully
15 decline to answer the question.
16 Do you take the Fifth Amendment, Mr. Campbell?
17 THE WITNESS: I take the Fifth.
18 MR. DAILEY: Okay. It is our intention in this
19 proceeding to continue to ask questions. We will not
20 compel answers from Mr. Campbell and he has every right
21 to assert the Fifth Amendment privilege to those
22 questions.
23 BY MR. DAILEY:
24 Q. Isn't it true, Mr. Campbell, that during your
25 term of employment with Agra-Technologies, you were both

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1 a key and/or core manager for Agra-Technologies?
2 MR. STROJNIK: I would like to object and
3 instruct my client to assert the privilege against self
4 incrimination.
5 Do you assert the privilege?
6 THE WITNESS: I take the Fifth.
7 MR. STROJNIK: Okay.
8 MR. DAILEY: Can we go off the record just a
9 bit, is that okay?
10 MR. STROJNIK: Sure, absolutely.
11 (An off-the-record discussion ensued.)
12 BY MR. DAILEY:
13 Q. Mr. Campbell, have you ever been a registered
14 securities salesman or dealer?
15 A. Fifth.
16 Q. Okay. Isn't it true, Mr. Campbell, that you
17 have never been registered as a securities salesman or
18 dealer in any jurisdiction?
19 A. Fifth.
20 Q. I would suggest, with all due respect, if you
21 are going to take the Fifth, just say I invoke my Fifth
22 Amendment as opposed to I take the Fifth, as opposed to
23 just Fifth.
24 A. Okay.
25 Q. Appreciate it.

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1 Isn't it true that Agra-Technologies itself is
2 not registered to issue securities of any type in any
3 jurisdiction?
4 A. I invoke my Fifth right.
5 Q. Isn't it true that Agra's former salesperson and
6 general agent, the deceased Timothy Thomis, was not a
7 registered security salesman or dealer in any
8 jurisdiction?
9 A. I assert my Fifth.
10 Q. Do you hold, Mr. Campbell, any state or federal
11 licenses other than a driver's license?
12 A. I take the Fifth.
13 Q. Have you, Mr. Campbell, ever filed for
14 bankruptcy?
15 MR. STROJNIK: I object on the ground of
16 relevancy and instruct my client not to answer.
17 BY MR. DAILEY:
18 Q. Isn't it true, Mr. Campbell, that you failed to
19 disclose to Agra's offerees and investors that you, a
20 purported key or core Agra manager, voluntarily filed a
21 Chapter 7, no asset bankruptcy in 1999 in the Bankruptcy
22 Court of the Central District of Arizona, Case No.
23 99-14326?
24 A. I take the Fifth.
25 Q. Have you ever been convicted of any crime other

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1 than a minor traffic offense?
2 MR. STROJNIK: Go ahead and answer.
3 THE WITNESS: No.
4 BY MR. DAILEY:
5 Q. Have you ever been arrested?
6 MR. STROJNIK: I object on the ground that the
7 question is improper, irrelevant and impermissible under
8 the Rules of Evidence, and I instruct my client not to
9 answer the question.
10 BY MR. DAILEY:
11 Q. Isn't it true, Mr. Campbell, that you have
12 previously been arrested?
13 MR. STROJNIK: I object on the ground of
14 relevancy and, on the basis of Arizona Rules of
15 Evidence, instruct my client not to answer.
16 BY MR. DAILEY:
17 Q. Other than your pending lawsuit against
18 Agra-Technologies in which you are both a plaintiff and
19 a counterdefendant, have you ever been a party to any
20 other civil lawsuits at any time?
21 MR. STROJNIK: Go ahead.
22 THE WITNESS: A party to any other civil
23 lawsuit?
24 BY MR. DAILEY:
25 Q. Noncriminal.

5 (Pages 14 to 17)

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1 A. I don't know.
2 MR. STROJNIK: Counsel, do you mind if I show
3 Mr. Campbell the statement of personal financial
4 condition? I believe it has an answer that may be
5 relevant to your question.
6 MR. DAILEY: Go ahead.
7 MR. STROJNIK: Okay. Thanks.
8 Isn't there something in here about lawsuits
9 filed against you?
10 THE WITNESS: There was a case in the '90s with
11 Moriah. Now, what was the question, have I ever been
12 involved in a lawsuit?
13 MR. STROJNIK: A civil lawsuit.
14 THE WITNESS: Civil lawsuit? I am not sure.
15 BY MR. DAILEY:
16 Q. Well, let me stop you right there. I apologize.
17 Tell me about the civil lawsuit with respect to Moriah,
18 also known as maybe at some point MG Gold or Xenolith
19 Technologies.
20 A. Moriah, I believe, I think it is in Arizona, the
21 case. I think I have it in there. But anyway, it was a
22 lawsuit against Moriah and the officers and I believe
23 some of the directors by an individual. I can't
24 remember his name. It settled out of court. And mine,
25 my part was dismissed. But it took like five or six

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1 years.
2 Q. Other than attorneys' fees did you pay any money
3 to that particular plaintiff to get extracted from that
4 previous civil lawsuit?
5 MR. STROJNIK: Object; compound question.
6 Did you pay attorneys' fees in that case?
7 THE WITNESS: No.
8 BY MR. DAILEY:
9 Q. Did you pay any monetary damages to the
10 plaintiff in that --
11 A. No.
12 Q. -- previous lawsuit?
13 Prior to your employment with Agra-Technologies,
14 where were you employed?
15 A. I don't know. I mean this has been a number of
16 years. I am not sure. I was, in the '90s I worked for
17 an insurance agency. My background has to do with
18 insurance brokerage, health insurance mainly. I have
19 been self-employed most of the time.
20 Q. Tell me how you became involved in Moriah.
21 A. Moriah used to be Cimmaron.
22 Q. Okay.
23 A. In the early '80s.
24 MR. STROJNIK: Let me object on the basis --
25 THE WITNESS: Okay. I take the Fifth.

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1 MR. STROJNIK: Correct.
2 BY MR. DAILEY:
3 Q. Isn't it true, Mr. Campbell, that you were a
4 principal in Moriah International?
5 A. Take the Fifth.
6 Q. Isn't it true, Mr. Campbell, that at all times
7 relevant to Moriah's business that you controlled,
8 promoted and bore responsibility for Moriah's business
9 and financial affairs and investor solicitation
10 activities?
11 A. I take the Fifth.
12 Q. What was your date of birth?
13 A. May 14th, 1941.
14 Q. What was your place of birth?
15 A. San Pedro, California.
16 Q. Are you married?
17 A. Yes.
18 Q. How long have you been married?
19 A. Since January 27th, 1969.
20 Q. Could you please give me the complete spelling
21 of your wife's name.
22 A. S-O-N-D-R-A, J-A-N-E, Campbell, C-A-M-P-B-E-L-L.
23 Q. What were all your sources of income from
24 January 1st, 2005 to the present day?
25 A. I take the Fifth.

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1 Q. Isn't it true, Mr. Campbell that all of your
2 sources of income beginning on January 1st, 2005 to the
3 present came from Agra-Technologies, Incorporated?
4 A. I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that from July 23,
6 2003 to June 15th, 2006 you conducted business as Agra's
7 founder, executive vice president, director and second
8 largest shareholder?
9 A. I take the Fifth.
10 Q. Isn't it true, Mr. Campbell, that in these
11 capacities you controlled, promoted, and bore
12 responsibility for Agra's business and financial
13 affairs, investor solicitation activities?
14 A. I take the Fifth.
15 Q. What was your relationship to Dale Crowe while
16 you worked with Agra?
17 A. I take the Fifth.
18 Q. How long has Agra, or how, during your
19 employment with Agra, and all my questions today will be
20 limited to your employment with Agra, how did Agra
21 generate operating revenue?
22 A. I take the Fifth.
23 Q. Isn't it true that Agra's primary source of
24 operating funds from its inception to June 15th, 2006
25 came from investor money?

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1 A. I take the Fifth.
2 Q. Isn't it true, Mr. Campbell, that platinum has
3 never been economically mined at a profit in Arizona?
4 A. I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that as a primary
6 ore, platinum has never been mined in Arizona for a
7 profit?
8 A. I take the Fifth.
9 Q. During your employment with Agra-Technologies
10 was it involved with advanced mineral processing based
11 on its alleged ability to extract platinum and other
12 precious metals from the Sheep Hill volcanic cinders?
13 A. I take the Fifth.
14 Q. Are you registered with the Arizona Board of
15 Technical Registration?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Campbell, that during your
18 employment with Agra, Agra never provided any precious
19 metals such as platinum, gold or silver to its investors
20 in return for their purchase of the ore rights and
21 mining agreements?
22 A. I take the Fifth.
23 Q. Isn't it true, Mr. Campbell, that Agra to date
24 has never produced any economically viable quantities of
25 platinum in the Sheep Hill volcanic cinders at issue?

Page 23

1 A. I take the Fifth.
2 Q. Isn't it true, Mr. Campbell, that to date Agra
3 has never extracted any precious metals from the Sheep
4 Hill volcanic cinders on a cost effective basis?
5 A. I take the Fifth.
6 Q. Isn't it true, Mr. Campbell, that during your
7 employment with Agra-Technologies it represented to
8 investors that it could extract precious metals from the
9 Sheep Hill volcanic cinders on a commercially viable,
10 commercially feasible, economically viable, economically
11 feasible or cost effective basis?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Campbell, that to date, Agra
14 has not processed any of the volcanic cinders referenced
15 in the Agra ore rights and mining agreements at issue?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Campbell, that to date
18 Agra-Technologies has not produced any marketable
19 quantities of any precious metals such as platinum, gold
20 or silver at its Flagstaff facilities?
21 A. I take the Fifth.
22 Q. Isn't it true, Mr. Campbell, that to date, Agra
23 has not paid any returns to any of the, any of its
24 investors?
25 A. I take the Fifth.

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1 Q. Isn't it true, Mr. Campbell, that to date,
2 Agra's investors have not received any profit from their
3 Agra investments?
4 A. I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that to date Agra
6 has not paid any dividends or other returns to its stock
7 or shareholders?
8 A. I take the Fifth.
9 Q. Isn't it true, Mr. Campbell, that to date from
10 its inception Agra has not generated a net profit from
11 the sales of any product or services?
12 A. I take the Fifth.
13 MR. STROJNIK: Counsel.
14 MR. DAILEY: Yes.
15 MR. STROJNIK: I see that you appear to have
16 another 20 or 30 pages of individual questions.
17 MR. DAILEY: Right.
18 MR. STROJNIK: Is there some way that we can
19 assert a blanket Fifth Amendment privilege on subject
20 matter of your questioning so as to avoid going through
21 each and every question separately?
22 MR. DAILEY: To answer your question, I think we
23 are making good progress. And I will try to do that and
24 move on from certain areas.
25 MR. STROJNIK: Thank you.

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1 MR. DAILEY: Thanks for pointing that out.
2 MR. STROJNIK: Sure.
3 BY MR. DAILEY:
4 Q. Isn't it true, Mr. Campbell, that as to the
5 Sheep Hill volcanic cinders at issue, all of the
6 processes and technologies that Agra has used to date
7 has not enabled Agra to extract any precious metals of
8 any type from the Sheep Hill volcanic cinders on a cost
9 effective basis?
10 A. I take the Fifth.
11 Q. Isn't it true, Mr. Campbell, that to date,
12 neither Agra nor any person associated with Agra has
13 ever developed or acquired a reliable method from
14 extracting any precious metal from the Sheep Hill
15 cinders on a cost effective basis?
16 A. I take the Fifth.
17 MR. DAILEY: We can go off the record, if that's
18 okay.
19 MR. STROJNIK: Okay.
20 (An off-the-record discussion ensued.)
21 MR. DAILEY: Back on the record.
22 BY MR. DAILEY:
23 Q. Isn't it true, Mr. Campbell, that the vast
24 majority of investments at issue in this case were sold
25 by Agra and its agents pursuant to the purported

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1 efficacy of the Galleon process, spelled G-A-L-L-E-O-N?
2 A. I take the Fifth.
3 Q. Isn't it true, Mr. Campbell, that at all times
4 relevant Agra-Technologies and its agents could not
5 reacquire all of the in-quart platinum it placed in a
6 batch of Galleon process volcanic cinders?
7 A. I take the Fifth.
8 Q. Isn't it true, Mr. Campbell, that at all times
9 relevant Agra and its authorized agents showed potential
10 investors during Agra plant tours assay results, it
11 showed large amounts of platinum that was solely due to
12 the in-quart platinum?
13 A. I take the Fifth.
14 MR. STROJNIK: It is called spiking the influx.
15 Have you heard of that before?
16 THE WITNESS: Spiking?
17 (An off-the-record discussion ensued.)
18 BY MR. DAILEY:
19 Q. Isn't it true, Mr. Campbell, that Agra and its
20 authorized agents and employees also showed investors
21 filters that included in-quart platinum residue during
22 Agra plant tours?
23 A. I take the Fifth.
24 Q. Isn't it true, Mr. Campbell, that Agra and its
25 authorized agents failed to inform actual or potential

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1 investors that the assay results they viewed in the
2 filters that they viewed came from in-quart platinum as
3 opposed to any precious metals naturally occurring in
4 the Sheep Hill volcanic cinders?
5 A. I take the Fifth.
6 Q. Sitting here today, do you have any knowledge of
7 any person associated with Agra-Technologies
8 intentionally misleading actual or potential investors
9 by showing them false assay results or anything of that
10 nature?
11 A. I take the Fifth.
12 Q. The Galleon process cannot be used to extract
13 any precious metals from the Sheep Hill volcanic
14 cinders, isn't that true, Mr. Campbell?
15 A. I take the Fifth.
16 Q. Isn't it true, Mr. Campbell, that during your
17 employment with Agra-Technologies, it and its authorized
18 agents represented to actual and potential investors
19 that the KMH process could be used to extract platinum
20 gold and silver from the volcanic cinders on a cost
21 effective basis?
22 A. I take the Fifth.
23 Q. Isn't it true, Mr. Campbell, that the KMH
24 process cannot be used by any person in any form to
25 extract any precious metals from the Sheep Hill volcanic

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1 cinders on a cost effective basis?
2 A. I take the Fifth.
3 Q. I am going to show you what has been marked as
4 Exhibit 30 to your examination.
5 MR. STROJNIK: Thank you, counsel.
6 BY MR. DAILEY:
7 Q. And that was produced, you don't have to agree
8 with this, but this was produced by Agra in its initial
9 production of documents. Have you ever seen this
10 document before today?
11 A. I take the Fifth.
12 Q. Isn't it true, Mr. Campbell, that
13 Exhibit No. 30, titled Confidential Private Placement
14 Memorandum, was distributed, widely distributed I should
15 say, to various persons and entities in an attempt to
16 solicit investor funds for Agra business opportunities?
17 A. I take the Fifth.
18 Q. Isn't it true, Mr. Campbell, that both Larry
19 Paille, spelled P-A-I-L-L-E, and Jerry Hodges were at
20 all times relevant Agra's authorized security
21 salespersons and general agents?
22 A. I take the Fifth.
23 Q. Isn't it true, Mr. Campbell, that you personally
24 sold investments on behalf of Agra-Technologies during
25 your employment with Agra?

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1 A. I take Fifth.
2 Q. Isn't it also true, Mr. Campbell, that you
3 earned substantial commissions from selling Agra's
4 securities and investments while you were employed with
5 Agra?
6 A. I take the Fifth.
7 Q. Isn't it true, Mr. Campbell, that neither
8 yourself nor anyone else associated with Agra informed
9 Agra's actual or potential investors that its authorized
10 agents and securities salespersons received a 25 percent
11 commission?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Campbell, that both Larry
14 Paille and Jerry Hodges were authorized to speak on
15 behalf of Agra-Technologies?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Campbell, that both Agra and
18 all of its employees and agents were actually aware of
19 all of the conduct of Jerry Hodges and Larry Paille with
20 respect to their securities salespersons'
21 responsibilities?
22 A. I take the Fifth.
23 Q. Isn't it also true that at all times relevant
24 and immediately prior to his death that Timothy Thomis
25 was authorized to speak in contract on behalf of

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1 Agra-Technologies?
2 A. I take the Fifth.
3 Q. Isn't it true, Mr. Campbell, that both Larry
4 Paille and Jerry Hodges were authorized to accept and
5 handle Agra investor money on behalf of Agra investors
6 and Agra?
7 A. I take the Fifth.
8 MR. DAILEY: We can go off the record real
9 quick.
10 (An off-the-record discussion ensued.)
11 MR. DAILEY: Back on the record. I have located
12 the exhibits I want to ask you questions regarding.
13 BY MR. DAILEY:
14 Q. Previously there were investor updates of
15 various dates previously marked as Exhibits 6 through 10
16 in this matter.
17 MR. STROJNIK: I only show 6 through 9, counsel.
18 MR. DAILEY: Okay, 6 through 9, then. I
19 apologize.
20 BY MR. DAILEY:
21 Q. Isn't it true, Mr. Campbell, with respect to
22 Exhibits 6 through 9 that you are actually aware of and
23 approved the content of those investor updates sent by
24 Larry and Jerry Hodges on behalf of Agra?
25 A. I take the Fifth.

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1 Q. Okay. Isn't it are also true that in addition
2 to yourself, Agra and other Agra employees, such as Bill
3 Pierson and Bill Baker, were also aware of and approved
4 the content of the investor updates marked as Exhibits 6
5 through 9?
6 A. I take the Fifth.
7 Q. Isn't it true, Mr. Campbell, that you were a
8 board member of Agra-Technologies that participated in
9 the management of its business affairs?
10 A. I take the Fifth.
11 Q. I am going to show you what has been --
12 Go ahead and mark this as Exhibit 31 to the Agra
13 examinations under oath.
14 Exhibit 31 is a two-pocket solicitation brochure
15 that is glossy and contains various platinum or precious
16 metal recovery documents. It is Bates labeled ACC015304
17 to 015338.
18 (Exhibit No. 31 was marked for identification.)
19 MR. DAILEY: I am going to show Exhibit 31 to
20 both Mr. Strojnik and respondent Mr. Campbell.
21 MR. STROJNIK: Thank you, counsel. We have it.
22 THE WITNESS: What am I supposed to say?
23 MR. STROJNIK: There is no question.
24 THE WITNESS: There is no question.
25 MR. STROJNIK: No.

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1 BY MR. DAILEY:
2 Q. Have you seen a two-pocket glossy folder
3 regarding Agra's precious recovery business similar to
4 Exhibit 31 prior to today?
5 A. I take the Fifth.
6 Q. Okay. Isn't it true, Mr. Campbell, that you
7 were actually aware of each and every statement and
8 representation contained in Exhibit 31 prior to its --
9 well, go ahead, answer the question.
10 A. I take the Fifth.
11 Q. Okay. Isn't it true, Mr. Campbell, that you are
12 one of the creators of the ore rights and mining
13 agreements contained in Exhibit No. 31?
14 A. I take the Fifth.
15 Q. Isn't it true, Mr. Campbell, that you
16 represented and Agra represented at all times relevant
17 that the money generated from the sale of the ore rights
18 and mining agreements contained in Exhibit 31 would be
19 used by Agra to construct Agra facilities, plant
20 facilities, and to develop and obtain precious metal
21 recovery technologies and processes?
22 A. I take the Fifth.
23 Q. Did anyone ever tell you, Mr. Campbell, that the
24 ore rights and mining agreements at issue in this case
25 were not securities?

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1 A. I take the fifth. Oh, excuse me.
2 MR. STROJNIK: Can you give me half a second to
3 think about this?
4 MR. DAILEY: Yes. I think there is finger
5 pointing, but the only person I could think of is David
6 Wagner. But Agra hasn't proffered a defense by counsel
7 yet. I was just asking. If you want to take a minute,
8 go ahead.
9 MR. STROJNIK: Can we take two minutes?
10 MR. DAILEY: Sure. That would be a great place
11 to break.
12 (A recess ensued.)
13 MR. DAILEY: Back on the record.
14 BY MR. DAILEY:
15 Q. With respect to Exhibit No. 25, Mr. Campbell,
16 can you look at the top document that begins 006988 and
17 ends at 007023.
18 MR. STROJNIK: He asked you to look at it and
19 obviously you can look at it.
20 THE WITNESS: Right.
21 BY MR. DAILEY:
22 Q. The question is with respect to that set of,
23 those pages in Exhibit No. 25. Isn't it true,
24 Mr. Campbell, that both you and Agra itself caused these
25 types of documents relating to the ore rights and mining

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1 agreements to be distributed to actual or potential Agra
2 investors with respect to the ore rights and mining
3 agreements investments?
4 A. I take the Fifth.
5 Q. Let's go to the second batch of documents in
6 Exhibit 25 that begins at 007024 and goes to 007099.
7 A. Yes.
8 Q. Isn't it true, Mr. Campbell, that as to those
9 particular documents, that Agra would provide the same
10 to actual or potential investors to get them to purchase
11 the ore rights and mining agreements?
12 A. I take the Fifth.
13 Q. On the second page of those sets of documents,
14 007025, there is a picture of platinum bars. Do you see
15 those platinum bars on 00725?
16 MR. STROJNIK: Are you making reference to this
17 little window here?
18 MR. DAILEY: Yes, sir.
19 MR. STROJNIK: Do you see them?
20 THE WITNESS: Yes.
21 BY MR. DAILEY:
22 Q. Okay. Do you know where those bars came from?
23 A. I take the Fifth.
24 Q. Okay. Isn't it true, Mr. Campbell, that
25 Agra-Technologies misled its investors by including

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1 platinum bars in its offering ore rights and mining
2 agreement offering materials because those bars did not
3 come from the Sheep Hill volcanic cinders?
4 A. I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that
6 Agra-Technologies today and at all times relevant didn't
7 even possess the capability to refine the platinum into
8 metal bars?
9 A. I take the Fifth.
10 Q. Isn't it true, Mr. Campbell, that as to the ore
11 rights and mining agreements investors that Agra did not
12 adequately disclose the risks associated with purchasing
13 such an investment?
14 A. I take the Fifth.
15 Q. Isn't it true, Mr. Campbell, that not only
16 yourself but respondents Agra-Technologies, Bill Pierson
17 and Bill Baker were actually aware of the terms and
18 conditions and content of all forms of the Agra ore
19 rights and mining agreements investments?
20 A. I take the Fifth.
21 Q. Isn't it true, Mr. Campbell, that in your
22 responsibilities with Agra-Technologies, you both
23 suggested and implemented changes to the terms of the
24 ore rights and mining agreements?
25 A. I take the Fifth.

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1 Q. Isn't it true that Agra's investors expected a
2 profit from their purchase of the ore rights and mining
3 agreements?
4 MR. STROJNIK: Objection. That calls for
5 speculation.
6 THE WITNESS: Take the Fifth.
7 BY MR. DAILEY:
8 Q. Isn't it true that Agra's investors purchased
9 the ore rights and mining agreements solely based on
10 Agra's representations that it could extract precious
11 metals from the cinders on a cost effective basis?
12 MR. STROJNIK: Objection; calls for speculation.
13 THE WITNESS: I take the Fifth.
14 BY MR. DAILEY:
15 Q. Can you tell me all of the reasons why Agra's
16 investors invested with Agra?
17 MR. STROJNIK: Object; speculation.
18 THE WITNESS: I take the Fifth.
19 BY MR. DAILEY:
20 Q. Isn't it true that under the terms and
21 conditions of the ore rights and mining agreements
22 investors who purchased the same would share in the
23 profits resulting from any precious metal recovery from
24 the volcanic cinders?
25 A. I take the Fifth.

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1 Q. Isn't it true that in the ore rights and mining
2 agreements investors were passive as to their investment
3 and did not have any say in the management or control of
4 Agra's business operations?
5 A. I take the Fifth.
6 Q. Isn't it true that Agra-Technologies did not
7 disclose to any actual or potential investor that they
8 could lose their entire investment in Agra-Technologies?
9 A. I take the Fifth.
10 Q. Isn't it true, Mr. Campbell, that
11 Agra-Technologies has never charged its ore rights and
12 mining agreement investors any money to process their
13 volcanic cinders to date?
14 A. I take the Fifth.
15 Q. To date, Mr. Campbell, isn't it true that no ore
16 rights and mining agreement investor has ever either
17 asked or removed their volcanic cinders from Agra's
18 property?
19 A. I take the Fifth.
20 Q. Isn't it true, Mr. Campbell, that an Agra ore
21 rights and mining agreement investor has received
22 nothing of value for their investment until and unless
23 Agra actually processes their volcanic cinders?
24 A. I take the Fifth.
25 Q. Isn't it true, Mr. Campbell, that Agra's ore

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1 rights and mining agreement investors expected a profit
2 from their investments based solely on the efforts of
3 Agra and its employees and agents?
4 MR. STROJNIK: Object; speculative.
5 THE WITNESS: I take the Fifth.
6 BY MR. DAILEY:
7 Q. Isn't it true, Mr. Campbell, that Agra and its
8 agents informed investors that it could recover up to
9 13 ounces of platinum or more from each ton of ore
10 purchased by an Agra ore rights and mining agreement
11 investor?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Campbell, that Agra's and its
14 agents most often proffered projected recovery of
15 platinum was five ounces of platinum from each ton of
16 volcanic cinders?
17 A. I take the Fifth.
18 Q. Isn't it true that Agra's ore rights and mining
19 agreements investors, that their volcanic cinders were
20 not segregated or separated from the other investors?
21 A. I take the Fifth.
22 Q. Isn't it true, Mr. Campbell, that you, Agra and
23 the other respondents in this case represented to Agra's
24 investors that they could expect extraordinary returns
25 on each one of their ore rights and mining agreement

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1 investments of over 700 percent or \$70,250 even after
2 the deduction of Agra's ore processing fees, correct?
3 A. I take the Fifth.
4 Q. Isn't it true, Mr. Campbell, that both you and
5 Agra and its employees issued an investor update to its
6 investors both actual and potential that any risks
7 associated with the purchase of Agra investments were
8 virtually zero and had been virtually eliminated?
9 A. I take the Fifth.
10 Q. Mr. Campbell, when did Agra start running into
11 financial difficulties?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Campbell, that Agra began
14 running out of investor money or its primary source of
15 operating revenue sometime in the fall of 2005?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Campbell, that neither you
18 nor anyone associated with Agra-Technologies informed
19 actual or potential investors that Agra's financial
20 situation was precarious?
21 A. I take the Fifth.
22 Q. Isn't it true, Mr. Campbell, that at all times
23 during your employment with Agra-Technologies that Agra
24 issued bridge loans with equity or stock kicker
25 investments to actual or potential Agra investors?

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1 A. I take the Fifth.
2 Q. Isn't it true, Mr. Campbell, that as to Agra's
3 bridge loan investors, that those investors have not all
4 received back their principal investments and promised
5 profits?
6 A. I take the Fifth.
7 Q. Isn't it true, Mr. Campbell, that you both
8 offered and sold Agra bridge loan with equity kicker
9 investments within and from Arizona?
10 A. I take the Fifth.
11 Q. Isn't it true, Mr. Campbell, that the bridge
12 loan investments that we have been speaking of were not
13 actually secured or collateralized by any real or
14 personal property?
15 A. I take the 5th.
16 Q. Isn't it true, Mr. Campbell, that at all times
17 relevant both you and Agra offered and sold Agra stock
18 within and from Arizona?
19 A. I take the Fifth.
20 Q. Isn't it true, Mr. Campbell, that at all times
21 relevant -- strike that.
22 Isn't it also true, Mr. Campbell, that you sold
23 a portion of your own personal stock, Agra stock, to
24 Agra investors?
25 A. I take the Fifth.

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1 Q. Isn't it also true that you made a profit from
2 the sale of your stock to Agra's actual or potential
3 investors?
4 A. Fifth, I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that you
6 represented to actual or potential Agra investors that
7 you expected the Agra stock to increase in value by
8 approximately 4,900 to 9,900 percent?
9 A. I take the Fifth.
10 Q. Isn't it also true, Mr. Campbell, that you
11 represented and Agra represented to actual or potential
12 investors that the stock would eventually provide them
13 with enough income and dividends that they could pay for
14 all their living expenses?
15 A. I take the Fifth.
16 Q. Isn't it true, Mr. Campbell, that both
17 Agra-Technologies, Mr. Pierson and Mr. Baker were
18 actually aware of and approved the sale, offer and sale
19 of Agra stock to actual or potential Agra investors?
20 MR. STROJNIK: Object; speculative.
21 THE WITNESS: I take the Fifth.
22 BY MR. DAILEY:
23 Q. Isn't it true, Mr. Campbell, that you received
24 \$177,500 in salary from Agra-Technologies during the
25 fiscal year of 2005?

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1 A. I take the Fifth.
2 Q. Isn't it true, Mr. Campbell, that Mr. Pierson
3 received approximately \$234,425 in salary in the year
4 2005?
5 A. I take the Fifth.
6 MR. STROJNIK: Hold on just a minute.
7 BY MR. DAILEY:
8 Q. Isn't it true --
9 MR. STROJNIK: Can you read the last question
10 back, please.
11 (The record was read by the reporter as
12 requested.)
13 MR. STROJNIK: If you don't know the answer, say
14 I don't know.
15 THE WITNESS: I don't know.
16 MR. STROJNIK: Okay. We withdraw the Fifth and
17 amend the answer to state I don't know.
18 BY MR. DAILEY:
19 Q. Isn't it true, Mr. Campbell, that you were aware
20 of and approved all salaries and other benefits paid to
21 Agra's officers, directors, employees and agents?
22 A. I take the Fifth.
23 Q. Isn't it true, Mr. Campbell, that at all times
24 during your employment with Agra-Technologies that you
25 possessed a credit card in the name of

Page 43

1 Agra-Technologies?
2 A. I take the Fifth.
3 Q. Isn't it true, Mr. Campbell, that you used the
4 Agra credit card that we just discussed to purchase
5 personal items and services?
6 A. I take the Fifth.
7 Q. Isn't it true that the Agra credit card that you
8 used while with Agra was paid on a monthly or quarterly
9 basis with Agra investor money?
10 A. I take the Fifth.
11 Q. Isn't it true, Mr. Campbell, that both you,
12 Agra, and its agents and employees failed to disclose to
13 actual or potential investors that you used investor
14 money for personal expenses?
15 A. I take the Fifth.
16 Q. I am going to hand you what has been marked as
17 Exhibit No. 26 to the examinations under oath in this
18 case.
19 MR. DAILEY: Did I say 26? It should be 27.
20 MR. STROJNIK: It is.
21 MR. DAILEY: Exhibit No. 27, Bates labeled
22 044676 to 011787.
23 MR. STROJNIK: Okay.
24 BY MR. DAILEY:
25 Q. Isn't it true, Mr. Campbell, you were

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1 responsible for the creation and sales of the platinum
2 rental agreement that has been marked as Exhibit 27 to
3 the examination under oath?
4 A. I take the Fifth.
5 Q. Isn't it true, Mr. Campbell, that both you and
6 Agra caused to be offered and sold at least \$354,000 in
7 platinum rental agreement securities?
8 A. I take the Fifth.
9 Q. Isn't it true, Mr. Campbell, that you
10 represented to platinum rental agreement investors that
11 they could expect 1.667 percent monthly interest
12 compounded monthly on their investments?
13 A. I take the Fifth.
14 Q. Isn't it true, Mr. Campbell, that neither you
15 nor Agra actually used all of the platinum rental
16 agreement funds to purchase platinum as represented in
17 the platinum rental agreement documents?
18 A. I take the Fifth.
19 Q. Isn't it true, Mr. Campbell, that to date, Agra
20 has failed to repay all of the principal investments and
21 promised profits of its platinum rental agreement
22 investors?
23 A. I take the Fifth.
24 Q. I am going to go ahead and refer your attention
25 to what has been marked as Exhibit No. 28 to the

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1 examinations at issue?
2 MR. STROJNIK: There is a question there in the
3 platinum rental agreement, as part of Exhibit 28.
4 MR. DAILEY: The -- correct.
5 MR. STROJNIK: Okay, go ahead.
6 BY MR. DAILEY:
7 Q. Basically Exhibit 28 begins at 010868 and goes
8 to 010882.
9 A. Yes.
10 Q. Isn't it true, Mr. Campbell, that you are both
11 aware of and participated in the creation of Exhibit 28?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Campbell, that both you and
14 Agra created or caused to be created Exhibit 28 --
15 A. I take the Fifth.
16 Q. -- in conjunction --
17 A. Oh, I am sorry.
18 Q. -- with the offer and sale of the platinum
19 rental agreement securities at issue?
20 A. I take the Fifth.
21 Q. Isn't it true, Mr. Campbell, that your offer and
22 sale of the Agra securities we have discussed today was
23 made in conjunction with material omissions and
24 misstatement of fact as identified in the existing TC&D?
25 A. I take the Fifth.

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1 adjust the eventual yield numbers to cap an investor's
2 return in a \$70,000 range despite the fact that such
3 practice is unethical?
4 A. I take the Fifth.
5 Q. Keep going to ACC007274, if you would, which is
6 a November 30th, 2000 letter from Alvin Johnson to Bill
7 Pierson. Have you ever seen this particular letter
8 prior to today?
9 A. I take the Fifth.
10 Q. How exactly did Agra-Technologies come to
11 believe that there were precious metals such as platinum
12 in the Sheep Hill volcanic cinders that could be
13 extracted on a cost effective basis?
14 A. I take the Fifth.
15 Q. Isn't it true, Mr. Campbell, that
16 Agra-Technologies began its precious metal recovery
17 business based in part on this letter from Alvin Johnson
18 that the Sheep Hill cinders contained platinum group
19 metals that could be extracted on a cost effective
20 basis?
21 A. I take the Fifth.
22 Q. Do you know who Alvin Johnson is?
23 MR. STROJNIK: Do you know who he is?
24 THE WITNESS: Yes. I know, I know the name,
25 yes.

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1 BY MR. DAILEY:
2 Q. So the answer is yes?
3 A. Yes.
4 Q. Okay.
5 A. I mean I don't, I don't know him personally. I
6 have met him but I don't -- what am I supposed to say?
7 MR. STROJNIK: You don't know.
8 BY MR. DAILEY:
9 Q. Did you work with --
10 A. No.
11 Q. -- Mr. Alvin Johnson during your time at Moriah
12 or its subsequent entities?
13 A. No.
14 Q. Okay. Moving on in Exhibit No. 26 to what has
15 been -- it is an e-mail, 011807. Could you tell me --
16 and by the way, this is an e-mail from you to
17 Mr. Pierson dated November 11th, 2004. Who was Cspott?
18 A. I take the Fifth.
19 Q. Is Cspott related to one of the companies or
20 persons that Agra-Technologies sought to acquire?
21 A. I take the Fifth.
22 Q. Please let me finish. I appreciate it.
23 MR. STROJNIK: I apologize. I am rushing you.
24 While he is still talking I am waving my arm. I
25 shouldn't be doing that.

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1 BY MR. DAILEY:
2 Q. Are you aware of any efforts made by
3 Agra-Technologies to take the company public, so to
4 speak, on a stock exchange of any type?
5 A. I take the Fifth.
6 Q. Isn't it true, Mr. Campbell, from on or about
7 July of 2003 to June of 2006 that you represented to
8 actual or potential Agra investors that Agra expected to
9 be capable of producing approximately 116,800 ounces of
10 platinum in its first year of operation?
11 A. I take the Fifth.
12 Q. Isn't it true, Mr. Campbell, that you
13 represented in the ore rights and mining agreements
14 solicitation materials that Agra expected to have gross
15 revenues of at least \$232 million by its fifth year of
16 operation with subsequent gross annual profits of
17 \$100 million?
18 A. I take the Fifth.
19 Q. Isn't it true, Mr. Campbell, that you failed to
20 disclose to actual or potential Agra investors that
21 Agra's primary source of revenue is investor money --
22 A. I take the Fifth.
23 Q. -- rather than the sale of precious metals
24 extracted from volcanic cinders?
25 A. I take the Fifth.

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1 Q. Let me finish the question.
2 Mr. Campbell, isn't it true that you failed to
3 disclose to offerees and investors that Agra's precious
4 metal recovery business has not generated a profit from
5 the sale of precious metals extracted from the volcanic
6 cinders?
7 A. I take the Fifth.
8 MR. STROJNIK: Can you read the question,
9 please.
10 (The record was read by the reporter as
11 requested.)
12 MR. STROJNIK: Thank you.
13 The answer stands. There is no question before
14 you.
15 THE WITNESS: Okay.
16 BY MR. DAILEY:
17 Q. Isn't it true, Mr. Campbell, that both you and
18 Agra failed to disclose to actual or potential investors
19 that approximately 25 percent of each Agra investment
20 was paid to Agra's authorized agents and securities
21 salespersons such as Hodges, Paille and Thomis as
22 commissions?
23 A. I take the Fifth.
24 Q. Isn't it true, Mr. Campbell, that you
25 misrepresented to offerees and investors the Sheep Hill

TAB 10

ARIZONA CORPORATION COMMISSION
SECURITIES DIVISION

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IN THE MATTER OF:)	
)	
AGRA-TECHNOLOGIES, INC. (a/k/a ATI),)	Docket No.:
a Nevada corporation,)	S-20484A-06-0669
5800 North Dodge Avenue, Bldg. A)	
Flagstaff, Arizona 86004-2963,)	
et al.,)	
Respondents.)	
)	

EXAMINATION UNDER OATH OF LAWRENCE KEVIN PAILLE

Phoenix, Arizona
February 8, 2007

ARIZONA REPORTING SERVICE, INC.
Court Reporting
Suite Three
2627 North Third Street
Phoenix, Arizona 85004-1126

Prepared for:	By: Kate E. Baumgarth
	Certified Reporter
	Certificate No. 50582

ACC SECURITIES DIVISION

Page 2

1 INDEX TO EXAMINATIONS

2 WITNESSES PAGE

3

4 LAWRENCE KEVIN PAILLE

5 Examination by Mr. Dailey 6

6 Examination by Mr. Clapper 147

7 Further Examination by Mr. Dailey 150

8

9

10 INDEX TO EXHIBITS

11 NO.	12 DESCRIPTION	13 MARKED	14 IDENTIFIED
12 1	Paille's initial production Bates Nos. ACC014536-015415	6	9
14 2	Paille's supplemental production Bates Nos. ACC040000-040252	6	12
15 3	Agra July 2006 Business Plan	6	61
16 4	Agra Ore Rights and Mining Agreement Packet ACC000003 through AC000033	6	103
18 5	Agra Ore Rights and Mining Agreement Packet ACC006988 through AC007023	6	--
20 6	Investor Update dated December 2, 2006	6	62
22 7	Investor Update Bates Nos. ACC011135, ACC010974, through ACC010977	6	67

23 (Exhibits continue, next page, please.)

24

25

Page 3

1 EXHIBITS CONTINUED

2 NO.	3 DESCRIPTION	4 MARKED	5 IDENTIFIED
3 8	Investor Update Bates Nos. ACC010988 through ACC010993	6	68
5 9	Investor Update Bates Nos. ACC010978 through ACC010982 and ACC11149 through ACC11152	6	93
7 10	Investor Update dated May 12, 2006	6	93
8 11	Baker e-mail and web log in information	6	142
10 12	Update dated December 1, 2006	6	147
11 13	Rollover Program Solutions Bates No. ACC071146	6	148
12 14	E-mail to Dr. Field	6	138

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Page 4

1 EXAMINATION UNDER OATH OF LAWRENCE KEVIN PAILLE was

2 taken on February 8th, 2007, commencing at 10:00 a.m., at

3 the Arizona Corporation Commission, Securities Division,

4 1300 West Washington Street, Third Floor, Phoenix,

5 Arizona, before KATE E. BAUMGARTH, Certified Court

6 Reporter No. 50582 in and for the County of Maricopa,

7 State of Arizona.

8

9

10 APPEARANCES:

11 For the Securities Division:

12 Mike Dailey

13 Staff Attorney

14 1300 West Washington Street

15 Phoenix, Arizona 85007

16 For Respondent Paille:

17 KERCSMAR & MITCHELL, PLLC

18 By Geoffrey S. Kerksmar, Attorney at Law

19 3260 North Hayden Road

20 Suite 204

21 Scottsdale, Arizona 85251

22 Also Present:

23 Mr. Gary R. Clapper, Investigator, Securities

24 Division

25 Ms. Stephanie Kirt, Legal Assistant, Securities

Division

Page 5

1 Also present continued:

2 Mr. Matt Shumaker, P.Geo, Senior Geologist

3 United States Department of the Interior

4 Bureau of Land Management

5

6 KATE E. BAUMGARTH, RPR

7 Certified Reporter

8 Certificate No. 50582

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Page 6

1 (Whereupon, Exhibits 1 through 14 were marked for
2 identification.)
3
4 LAWRENCE KEVIN PAILLE,
5 called as a witness herein, after being first duly sworn,
6 was examined and testified as follows:
7
8 EXAMINATION
9
10 BY MR. DAILEY:
11 Q. This is part of an inquiry by the Securities
12 Division of the Arizona Corporation Commission in the
13 matter of Agra-Technologies, Inc., et al., Docket No.
14 S-20484A-06-0669 in order to determine if there has been
15 full compliance with the Securities Act of the State of
16 Arizona. The information obtained today may reveal
17 violations of statutes outside of the act.
18 Persons present are myself, Mike Dailey,
19 enforcement attorney with the Securities Division;
20 Gary Clapper, Division special investigator;
21 Stephanie Kirt, Division legal assistant; Matt Shumaker,
22 consultant to the Securities Division; Geoffrey Kerksmar,
23 attorney for respondent Larry Paille, who is also present.
24 Mr. Paille, you have the right to refuse to
25 answer any questions if you think the answer may tend to

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1 incriminate you personally.
2 You have the right to refuse to produce any
3 private papers which you may feel will tend to incriminate
4 you.
5 If you choose to be represented by Mr. Kerksmar,
6 who is also representing co-respondent Jerry Hodges in
7 this matter, you should be aware that a possible conflict
8 of interest may exist on the part of such counsel. That
9 is to say that facts developed during this investigation
10 and revealed to such counsel may result in a situation
11 where counsel is required to choose between competing
12 positions with the result that he or she may not be able
13 to objectively represent both interests.
14 This is being brought to your attention solely to
15 advise you of your right to independent counsel of your
16 own choosing and is not intended to dissuade you in
17 engaging in a particular attorney; nor do these comments
18 directly or indirectly reflect on the character, integrity
19 or professionalism of either Mr. Kerksmar or his law firm.
20 Mr. Paille, are you aware of possible conflicts
21 that may arise in connection with Mr. Kerksmar
22 representing both you and Mr. Jerry Hodges?
23 A. I am.
24 Q. Do you still wish to be represented by
25 Mr. Kerksmar?

Page 8

1 A. Yes.
2 Q. The reporter will note for the record each time
3 you consult with your attorney before an answer. This is
4 done to ensure an accurate record.
5 Since your testimony is being recorded by a
6 reporter, please respond verbally as opposed to nodding or
7 shaking your head. Also, please let me finish asking a
8 question before you answer so there will not be two people
9 speaking at once.
10 If you do not hear or understand a question,
11 please inform me so that I may rephrase the question so
12 that you can understand it.
13 You are under oath, so any false statements you
14 make may be criminally prosecuted as perjury.
15 Do you understand what I have just explained?
16 A. Yes.
17 Q. Are you on any medication today or under any
18 physical disability which might interfere with your
19 ability to answer questions?
20 A. No.
21 MR. DAILEY: Does anybody in this room have a
22 recording device other than the court reporter?
23 Let the record reflect no response.
24 Q. BY MR. DAILEY: I have marked for Exhibit 1 to
25 your examination today documents which you produced to the

Page 9

1 Division in response to our investigative subpoena. They
2 are Bates labeled ACC014536 to 015415.
3 Could you please review those documents right
4 now. And as you are looking through them, could you
5 describe what those documents represent?
6 A. I will take the Fifth.
7 Q. Mr. Paille, I'm not authorized to compel you to
8 give evidence or testimony as to which your claim -- as to
9 which you claim your privilege of self-incrimination and I
10 have no intention of doing so. In addition, I do not have
11 authority to grant you immunity and I do not intend to.
12 Any question that I ask hereafter will be with
13 the understanding that if you want to claim your
14 privilege, you need merely state to refuse to answer on
15 the ground that your answer may incriminate you. You are
16 not compelled to answer any further questions if you wish
17 to assert your privilege. Accordingly, if you answer any
18 questions, you will be doing so voluntarily.
19 Do you understand?
20 A. Yes.
21 Q. Mr. Paille, isn't it true that the documents that
22 are marked as Exhibit 1 were produced personally by you to
23 Gary Clapper of the Division on October 5, 2006 in
24 response to the administrative subpoena we issued to you?
25 (Whereupon, the witness conferred with his

Page 10

1 counsel.)
2 THE WITNESS: I'll take the Fifth.
3 MR. DAILEY: It is our intention in this
4 proceeding to continue to ask questions. We will not
5 compel answers for Mr. Paille, and he has every right to
6 assert his Fifth Amendment privilege as to those questions
7 and documents.
8 Q. BY MR. DAILEY: Mr. Paille, isn't it true that
9 the documents marked as Exhibit 1 were prepared, received
10 or gathered by you in the ordinary course of your business
11 with Agra as indicated on the documents?
12 (Whereupon, the witness conferred with his
13 counsel.)
14 THE WITNESS: I take the Fifth.
15 Q. BY MR. DAILEY: Mr. Paille, isn't it true that
16 the letters accompanying and explaining the facts
17 regarding the categories of documents you produced were
18 typed and signed and dated by you; isn't that correct?
19 (Whereupon, the witness conferred with his
20 counsel.)
21 THE WITNESS: Can you restate the question?
22 Q. BY MR. DAILEY: Isn't it true that all of the
23 typed and signed statements identified in Exhibit 1 were
24 prepared, signed and dated by you?
25 (Whereupon, the witness conferred with his

Page 11

1 counsel.)
2 THE WITNESS: I take the Fifth.
3 Q. BY MR. DAILEY: Okay. And all of the statements
4 identified in your typed and signed and dated statements
5 identified in Exhibit 1 are true and correct.
6 Isn't that correct?
7 (Whereupon, the witness conferred with his
8 counsel.)
9 THE WITNESS: I take the Fifth.
10 Q. BY MR. DAILEY: A couple more questions.
11 The documents identified in Exhibit 1 were
12 prepared in the regular course of business of your work
13 for Agra-Technologies by persons or you with the same
14 interest in Agra's business than you.
15 Isn't that correct?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: I take the Fifth.
19 Q. BY MR. DAILEY: And the documents identified as
20 Exhibit 1 were kept in the ordinary course of business for
21 your work for Agra-Technologies at or about the time the
22 documents were created.
23 Isn't that correct, Mr. Paille?
24 (Whereupon, the witness conferred with his
25 counsel.)

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1 THE WITNESS: I'll take the Fifth.
2 Q. BY MR. DAILEY: I will go ahead and speak about
3 Exhibit No. 2.
4 Mr. Paille, could you please review Exhibit No. 2
5 and see if you recognize those documents.
6 (Whereupon, the witness conferred with his
7 counsel.)
8 Q. BY MR. DAILEY: Mr. Paille, have you seen the
9 documents reflected in Exhibit No. 2 prior to today?
10 A. I will take the Fifth.
11 Q. Okay. Mr. Paille, isn't it true that the
12 documents reflected in Exhibit 2 were prepared, received
13 or gathered by you in the ordinary course of your business
14 with Agra?
15 A. I take the Fifth.
16 Q. Mr. Paille, isn't it true that the documents in
17 Exhibit No. 2 were prepared in the regular course of
18 business of your work for Agra-Technologies by persons --
19 by you or persons with the same interest in Agra's
20 business as you?
21 A. Take the Fifth.
22 Q. Okay. Mr. Paille, isn't it true that the
23 documents in Exhibit No. 2 were kept in the normal course
24 of business of your work for Agra-Technologies at or about
25 the time the documents in Exhibit 2 were created?

Page 13

1 A. I'll take the Fifth.
2 Q. Mr. Paille, please state your full name.
3 A. Lawrence Kevin Paille.
4 Q. Have you used any other name?
5 A. I go by Larry Paille.
6 Q. Okay. What is your current home address?
7 A. 220 Pinon Woods Drive in Sedona.
8 Q. How long have you resided there?
9 A. Since April 1st of last year.
10 Q. And immediately prior to the Pinon Woods Drive
11 address where did you reside?
12 A. 15 Solder Basin Drive in Sedona.
13 Q. Okay. How long did you reside there?
14 A. Approximately nine to ten months.
15 Q. Okay. I want to establish from at least 2003 to
16 the present; where did you reside prior to the Basin
17 address?
18 A. In Colorado at 3219 Kyle Circle in Loveland.
19 Q. And how long did you live at the Colorado address
20 you just spoke of?
21 A. Since December of 1999.
22 Q. Okay. What is your home telephone number?
23 A. (229) 221-1111.
24 Q. Okay. Please tell me about your educational
25 history beginning with high school to the present.

Page 22

1 Consultants and Joe?
2 A. A client that is referred to Creative Consulting
3 Group, the referrer gets 10 percent of the initial
4 purchase of products by Creative Consulting Group
5 products.
6 Q. With respect to the persons or entities you
7 referred to Creative Consultants, what products or
8 services did they purchase, to the best of your
9 recollection?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: You will have to ask Joe about the
13 various products that were actually purchased.
14 Q. BY MR. DAILEY: What are some of the products
15 that Joe at Creative environments offers for sale?
16 A. Business structures, debt -- credit cleanup, debt
17 negotiation, those sorts of things.
18 Q. Trust services?
19 A. Unincorporated business organizations.
20 Q. How about mutual funds or stocks?
21 A. No, definitely not.
22 Q. Has Creative Consulting ever offered for sale any
23 of the Agra investments at issue in the current temporary
24 cease and desist order filed in this matter?
25 A. No, definitely not.

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1 Q. Why not?
2 A. You will have to ask Joe.
3 Q. Okay. So other than your work as
4 Agra-Technologies general agent and your consulting work
5 for Creative Consulting, do you have any other employment
6 at this current time?
7 A. No.
8 Q. Other than those types, two types of employment,
9 have you ever had any other type of employment since the
10 beginning of 2005?
11 A. Yes.
12 Q. Okay. Tell me what that is. Immediately prior
13 to Agra-Technologies and Creative Consulting where did you
14 work?
15 A. Flextronics International.
16 Q. Is that in Colorado?
17 A. I worked in their operation there. They are out
18 of -- I'm not sure where their headquarters is located.
19 It's an international company.
20 Q. How long did you work at Flextronics?
21 A. Approximately five years.
22 Q. Okay. And what did you do the Flextronics? Or
23 what were your various positions at Flextronics for those
24 five years?
25 A. I was a production engineer, new product

Page 24

1 development engineer and worked in their contract design
2 operation.
3 Q. You designed the contracts for the sales of
4 goods?
5 A. No, I designed electronic hardware.
6 Q. Okay. For computers?
7 A. Not necessarily.
8 Q. Did you do anything else with Flextronics?
9 MR. KERCSMAR: Object; form.
10 You can answer.
11 THE WITNESS: Those --
12 Q. BY MR. DAILEY: I will withdraw the question.
13 Where did you work prior to Flextronics?
14 A. Hewlett Packard.
15 Q. What was your position there at Hewlett Packard?
16 A. I had several positions. I started out working
17 in the research and development department. I worked in
18 production engineering, worked in customer support, worked
19 in new product introductions.
20 Q. Do you believe you are qualified to advise a
21 person or an entity regarding the value of a particular
22 investment?
23 A. I'll take the Fifth.
24 Q. Mr. Paille, isn't it true that you are not
25 qualified to advise any person or entity regarding the

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1 value of any investment, stock or otherwise?
2 A. I'll take the Fifth.
3 Q. Do you know whether Agra-Technologies is
4 registered to issue securities in any jurisdiction?
5 (Whereupon, the witness conferred with his
6 counsel.)
7 THE WITNESS: I'll take the Fifth.
8 Q. BY MR. DAILEY: Isn't it true that
9 Agra-Technologies is not registered to sell securities of
10 any type in any jurisdiction?
11 (Whereupon, the witness conferred with his
12 counsel.)
13 THE WITNESS: I'll take the Fifth.
14 Q. BY MR. DAILEY: Did you ever work with or for a
15 gentleman named Timothy Thomis?
16 A. I worked with Timothy Thomis.
17 Q. Describe your work with Timothy Thomis.
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: I'll take the Fifth.
21 Q. BY MR. DAILEY: Isn't it true that you sold or
22 offered or solicited -- strike that.
23 Isn't it true that you offered and sold
24 securities -- unregistered securities through Tim Thomis?
25 A. I'll take the Fifth.

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1 Q. Isn't it true that you have also offered and sold
2 unregistered securities within the state of Arizona in
3 conjunction with your work with Jerry Hodges?
4 A. I'll take the Fifth.
5 Q. And isn't it true that with respect to your
6 previous work with Timothy Thomis that that work occurred
7 within or from Arizona?
8 A. I'll take the Fifth.
9 Q. Isn't it true that any officer -- isn't it true
10 that Agra-Technologies' officers, directors or agents are
11 not registered as a securities dealer or salesman in the
12 state of Arizona?
13 A. I'll take the Fifth.
14 Q. Do you hold, Mr. Paille, any state or federal
15 licenses other than a driver's license?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: I hold a driver's license.
19 Q. BY MR. DAILEY: Okay. Are you registered to sell
20 securities as a securities dealer or salesman?
21 (Whereupon, the witness conferred with his
22 counsel.)
23 THE WITNESS: No.
24 Q. BY MR. DAILEY: And you are not registered as an
25 investment advisor with the State of Arizona as well or an

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1 investment advisor representative; isn't that correct?
2 A. That's correct.
3 Q. Okay. Have you ever filed for bankruptcy,
4 Mr. Paille?
5 A. No.
6 Q. Have you ever been convicted of a crime other
7 than a minor traffic offense?
8 A. No.
9 Q. Have you ever been arrested, Mr. Paille?
10 A. No.
11 Q. Have you ever been indicted?
12 A. No.
13 Q. Have you ever been prosecuted in a criminal case?
14 A. No.
15 Q. Have you ever been the defendant in a civil
16 lawsuit?
17 A. No.
18 Q. Other than this particular incidence or this
19 matter, have you ever been the subject of an investigation
20 by any governmental or municipal agency?
21 A. No.
22 Q. What is your date of birth?
23 A. August 8, 1954.
24 Q. What is your place of birth?
25 A. Baton Rouge, Louisiana.

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1 Q. Have you ever been married?
2 A. Yes.
3 Q. You are currently married?
4 A. No.
5 Q. Okay. When did you get divorced?
6 A. Before I turned 30.
7 Q. And who were you married to at the time?
8 A. Joann Ebel.
9 Q. Have you ever been married other than with Joann?
10 A. No.
11 Q. What was your personal income for the year 2004
12 to the best of your recollection?
13 A. For 2004 approximately 90,000 per year.
14 Q. And that was through Flextronics?
15 A. Yes.
16 Q. What was your personal income for the year 2005
17 from all sources?
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: I don't have a total in my head,
21 but that information was provided in the documents.
22 Q. BY MR. DAILEY: Okay. And what was your personal
23 income for the year 2006?
24 A. I don't know, but that information was provided
25 in the documents also.

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1 Q. Okay. Thank you.
2 Do you file corporate income tax for the various
3 LLCs that you have formed or are a member or manager of?
4 A. No.
5 Q. Okay. Who prepares your personal income tax
6 returns?
7 A. I prepare them.
8 Q. Okay. Tell me how you became involved with
9 Respondent Agra-Technologies.
10 A. I was introduced to Agra-Tech by Jerry Hodges,
11 and he basically told me about Agra-Tech and introduced me
12 to Timothy Thomis.
13 And I flew out and visited with Tim and
14 Agra-Technologies and decided, based on what Jerry had
15 told me and what I had heard talking with Bill Pierson,
16 Dick Campbell and Tim Thomis, that it was something I
17 wanted to look into and pursue.
18 Q. So is it fair to say that you were initially
19 attracted to Agra-Technologies and its purported business
20 operations from an investments standpoint as an investor?
21 A. Yes.
22 Q. How does Agra-Technologies generate operating
23 revenue, to your knowledge?
24 A. You will have to ask Agra-Tech that question.
25 Q. To your knowledge, has platinum ever been

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1 milligrams per liter because the bead has been dissolved
2 in an acid solution. And in order to be able to convert
3 that to ounces per ton you need to know the sample size;
4 you need to know the final volume, and you need to know
5 the precipitate weight and the head ore weight. And then
6 with those numbers you can calculate that back to ounces
7 per ton of head ore.
8 Q. Okay.
9 A. Typically the external lab reports are given the
10 information to be able to convert back to ounces per ton
11 of precipitate. So there is additional information needed
12 to be able to convert that back to ounces per ton of head
13 ore. And then in that case you need a precipitate weight
14 and the head ore weight to be able to perform that
15 conversion.
16 Q. When you are in the Agra-Technologies office or
17 speaking with respect to Agra-Technologies' officers,
18 directors and employees, do you speak in terms of
19 milliliter results or ounce results per ton?
20 A. We typically speak of ounces per ton, and
21 typically that is ounces of ton of precipitate.
22 Q. And that takes into account the conversion of the
23 milliliter to the ounces?
24 A. Yes.
25 Q. Okay. Go ahead and take a look back at

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1 Exhibit 1. I will just move these for you. Take a look
2 at Bates label ACC015304 through ACC015338.
3 Let the record reflect that the exhibit or the
4 portion of the exhibit that Mr. Paille is reviewing is a
5 glossy, two-pocket folder with various documents inside.
6 Have you seen that two-pocket folder and
7 documents before today?
8 A. Yes.
9 Q. Okay. As for the Ore Rights & Mining Agreement
10 investment contracts at issue, if I use unit contract
11 investment in place of the Ore Rights & Mining Agreement,
12 will you understand that I am referring to one and the
13 same investment?
14 A. What is your new name for it?
15 Q. Unit contract investment.
16 A. Yep. Yes.
17 Q. Okay. What do you call it? Unit? What have you
18 commonly called it?
19 A. Ore contracts.
20 Q. Okay. I will call it the unit contracts, but I'm
21 referring to the Ore Rights & Mining Agreements at issue
22 in this case.
23 To date has Agra processed any of the Sheep Hill
24 cinders referenced in the Agra unit contracts?
25 A. No, they have not.

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1 Q. And why has, to your knowledge, has Agra not
2 processed any of the Agra unit contract cinders to date?
3 A. They originally started out with a joint venture
4 with Galleon Technologies, and that was from -- what I
5 have been told, is at the insistence of Dick Campbell and
6 Tim Thomis, that this was the direction that the company
7 needed to go.
8 And Bill agreed and they started developing
9 through Galleon Technologies -- with Galleon Technologies
10 this process that was, I guess, initially run on a small
11 scale and the results were looking promising. And then as
12 Agra-Tech attempted to scale it up, they found that the
13 process was extremely sensitive and that some runs would
14 produce good results; some runs would not.
15 They continued to work on the process, and then
16 at some point the decision was made by Agra-Technologies
17 that this was not going to be a process that was going to
18 work.
19 Q. Okay.
20 A. And that process was put on the back burner
21 probably in -- it was put on the back burner probably in
22 2005, sometime in that time period. And then the search
23 for alternate processes was started.
24 I am aware that there was some disagreement among
25 the Agra-Tech personnel or Agra-Tech officers as to what

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1 they should do regarding further development of ore
2 contract process development. And when all of the dust
3 had settled, then the result was -- is that there was
4 basically a moral obligation to continue to work on this
5 process and research alternate processes in order to be
6 able to satisfy the ore contracts.
7 Q. Okay.
8 A. And that was a decision driven by Bill Pierson,
9 who -- and Dick Campbell was not in agreement with that.
10 Q. Okay. Have you ever heard of any Agra employees
11 or consultants being injured due to inhalation of the
12 ammonia fumes at the Leupp Road processing plant?
13 A. I personally am aware of no injuries that have
14 occurred at that facility.
15 Q. Have you ever heard of anybody being hurt or
16 injured by inhalation of ammonia fumes?
17 MR. KERCSMAR: Objection; form.
18 Answer.
19 THE WITNESS: I am not aware of any injuries that
20 have occurred on the Agra-Tech facility on Leupp Road.
21 Q. BY MR. DAILEY: When I asked you about the Ore
22 Rights & Mining Agreement, you used the word ore contracts
23 as the one that you most commonly use.
24 What is your definition of ore?
25 A. It is the raw material that resides on the Sheep

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1 Hill site, which is the particular ore that is the subject
2 of the ore contracts.
3 Q. Okay. Forgetting about the Sheep Hill volcanic
4 cinders, what is your understanding of the term ore in
5 general? What does that mean to you?
6 A. It is rock that contains -- it is rock that is
7 processed using some form of process to extract a
8 particular element from it, whether it be iron, copper or
9 precious metals, whatever.
10 Q. Are you familiar with the definition of the word
11 ore as used by the mining industries in the Securities
12 Exchange Commission?
13 (Whereupon, the witness conferred with his
14 counsel.)
15 THE WITNESS: Take the Fifth.
16 Q. BY MR. DAILEY: Would you agree that, for
17 instance, ore can be defined as a metal-bearing mineral or
18 rock or made of metal that could be mined at a profit?
19 A. Take the Fifth.
20 Q. To date has Agra-Technologies ever mined any
21 precious metal from the Sheep Hill volcanic cinders at a
22 profit?
23 A. You will have to ask Agra-Tech that question.
24 Q. I'm asking for your knowledge. I think you can
25 answer the question. So I'll respectfully ask it again.

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1 To your knowledge, to date, has Agra-Technologies
2 ever produced or extracted any precious metals from the
3 Sheep Hill cinders that resulted in a profit to them?
4 MR. KERCSMAR: Objection; form.
5 You can answer, if you can.
6 THE WITNESS: I'm not aware of any sales from
7 process runs that have -- like, as I mentioned before, on
8 the small-scale runs, typically the platinum that is
9 generated is dissolved and sent to labs for analysis;
10 therefore, it's not available at that point for sale.
11 Q. BY MR. DAILEY: What is the most platinum that
12 you just spoke of that Agra-Technologies ever sent to a
13 lab for analysis that you are aware of?
14 A. Well, it's -- you need to ask the question
15 differently.
16 Q. I'm just -- I'm not trying to be belligerent or
17 mean. If you know how to tell me the answer to the
18 question, you can tell me or how to ask the question.
19 MR. KERCSMAR: He asked you to rephrase it.
20 MR. DAILEY: Would you reread that question?
21 (Requested portion of the record read.)
22 Q. BY MR. DAILEY: What is the most platinum that
23 Agra has ever sent to any lab at any time to be analyzed,
24 to your knowledge?
25 A. I don't know. And basically, as I said, what

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1 goes to the lab is a solution. So what needs -- what the
2 correct, I guess -- what needs to be known is what is the
3 concentration of that solution.
4 Q. What is the largest concentration of a solution
5 containing platinum that Agra ever sent to a lab for
6 analysis?
7 A. I don't have that information.
8 Q. Did you ever report the results of your effort as
9 an independent observer to existing or potential Agra
10 investors?
11 (Whereupon, the witness conferred with his
12 counsel.)
13 THE WITNESS: Take the Fifth.
14 Q. BY MR. DAILEY: To date has Agra ever produced
15 any marketable quantities of precious metal at its
16 Flagstaff facilities?
17 A. I'm not aware of any.
18 Q. Has Agra-Tech, to your knowledge, ever
19 repurchased or bought out an existing ore contract
20 investor?
21 (Whereupon, the witness conferred with his
22 counsel.)
23 THE WITNESS: Take the Fifth.
24 Q. BY MR. DAILEY: So isn't it true that as to Agra
25 repurchasing or buying out ore contractor investors, that

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1 those ore contract investors have never received any
2 returns or profit on their original investment?
3 (Whereupon, the witness conferred with his
4 counsel.)
5 THE WITNESS: Take the Fifth.
6 Q. BY MR. DAILEY: Has Agra paid any dividends or
7 other returns to its stock or shareholders to date?
8 (Whereupon, the witness conferred with his
9 counsel.)
10 THE WITNESS: I am not aware of any dividends
11 that have been paid out to shareholders.
12 Q. BY MR. DAILEY: Okay. To your knowledge, has
13 Agra ever made a net profit from the sale of products or
14 services from 2003 to the present?
15 A. I am not aware of any.
16 Q. Taking into consideration overhead and production
17 costs, has Agra or its ore contract or shareholder
18 investors ever made a profit from the mining of precious
19 metals such as platinum, gold or silver at the Flagstaff
20 facilities?
21 (Whereupon, the witness conferred with his
22 counsel.)
23 THE WITNESS: To my knowledge, there has been no
24 profit, and that from 2003 on process was in development
25 and as such that was expected. Once the process was moved

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1 fusion?
2 Q. Yes. Is that separate and apart from the three I
3 just named?
4 A. Yes, it is.
5 Q. Tell me what your knowledge is about the low
6 temperature fusion process.
7 A. The low temperature fusion process was a joint
8 venture with a gentleman named Pat Patterson who claims to
9 have expertise in extracting metals using what he calls
10 low temperature fusion process.
11 He was invited out to Agra-Technologies probably
12 in the summer of 2006, to the best of my recollection.
13 And he worked with Bob Wasiliew to run the process, to
14 determine -- well, to see if they could get it to work.
15 Pat spent about a couple of days at the Agra
16 facility, worked with Bob. Pat then returned to Utah and
17 Bob continued trying to duplicate the process but was
18 never successful.
19 We, Agra-Technologies, have contacted some other
20 people that have worked with Pat Patterson, and they are
21 running into the same issues. And as a result that
22 process was abandoned.
23 Q. Is the low temperature fusion process, as you
24 understand it, synonymous with the, quote/unquote, Pat's
25 process?

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1 A. That is typically how it's -- it is referred to
2 as low temperature fusion or Pat's process.
3 Q. Isn't it true, Mr. Paille, that you represented
4 to Agra offerees and investors that Agra could extract
5 precious metals at a profit from the volcanic cinders
6 using the low temperature fusion process?
7 A. I'll take the Fifth.
8 Q. Have you ever heard of a term, quote/unquote, at
9 flour process? I have seen this in the documents relating
10 to this case. And the reason why it caught my eye is I
11 take the word flour literally, like cooking flour.
12 Have you ever heard the phrase flour process
13 prior to today?
14 A. I have heard the word flour used as an ingredient
15 that is used in one of the process steps, and I believe
16 that was with Pat's process or the low temperature fusion
17 process.
18 Q. What reagents are used in the extended chemical
19 leach process?
20 A. I don't understand the question.
21 Q. What are the components? Is the extended
22 chemical leach process a wet process?
23 A. Yes. Oh, did you say reagents?
24 Q. Yes, I did. Thank you.
25 A. I don't recall all the ingredients. There is

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1 hydrochloric acid. There is sodium borohydride, and there
2 is -- and there are couple of proprietary mixes.
3 And the process -- the process that I observed on
4 September 2006, I generated a report, which you should
5 have, that documents all the things that I observed: the
6 chemicals that were added, the pH measurements, all the
7 various steps of the process. And wherever I had access
8 to the specific chemicals, those were written down in
9 those process steps.
10 Q. What is the underlying theory underlying the
11 extended chemical leach process? Is it, for instance,
12 that the hydrochloric acid dissolves either the platinum
13 away from the volcanic cinders or vice versa?
14 I give that as a hypothetical, not as a question.
15 What is the purpose of the hydrochloric acid, to
16 your knowledge?
17 A. The purpose of the hydrochloric acid is to bring
18 the pH into the acid region.
19 Q. Okay. And so is the platinum supposed to,
20 through the reagents -- are the reagents responsible for
21 pulling or extracting the platinum or platinum group
22 metals from the cinders?
23 A. My understanding of the process is that if you
24 were to look at the cinders -- let's go from the
25 beginning.

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1 If you were to look at the head ore and look at
2 the components of the head ore with the standard fire
3 assay or any standard analysis technique, you would find
4 trace amounts of the precious metals in there. And the
5 reason is that what you are -- what you see in the
6 volcanic ore is you see things like compounded -- you see
7 compounds, so platinum sulfide, for example.
8 And so the purpose of the reagents is to break
9 those bonds and then separate the platinum from what it's
10 associated with and create an environment where the
11 platinum will reassociate as free metals.
12 Q. When you say "bonds," are we talking about the
13 molecular level?
14 A. Yes.
15 Q. Has it been characterized as nanotechnology?
16 A. Yes.
17 Q. Just out of curiosity, have you ever heard of a
18 so-called Baron Mining court case?
19 A. Baron sounds familiar, but I know of really no
20 other details beyond that.
21 Q. Have you ever heard of a gentleman named
22 Keith Briecheisen?
23 A. No.
24 MR. DAILEY: Let's take lunch now.
25 (Whereupon, a recess was taken from 12:01 p.m.

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1 until 12:58 p.m.)
2 MR. DAILEY: Back on the record.
3 Q. BY MR. DAILEY: Mr. Paille, where is
4 Pat Patterson from?
5 A. From what I have been told, he is out of Utah.
6 Q. Okay. And does Pat Patterson, to your knowledge,
7 have any expertise in recovery of precious metals from any
8 type of ore, to your knowledge?
9 A. He claims to have that expertise.
10 Q. Okay. I'm going to show you what has been marked
11 as Exhibit 3 to your examination. That is a July '06 Agra
12 business plan.
13 Have you seen that document before today?
14 A. Yes, I have.
15 Q. Is that document made available on Agra's web
16 site?
17 A. No, not to the general public.
18 Q. Okay. Is that Exhibit 3 available to the
19 nongeneral public on Agra's web site?
20 A. It is available through a password-protected web
21 site. So Agra-Tech provides the access if a person can
22 get access for this.
23 Q. Have you ever provided a person a password to
24 access certain documents that are password protected on
25 Agra's web site?

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1 (Whereupon, the witness conferred with his
2 counsel.)
3 THE WITNESS: No, I have never provided access to
4 that web site.
5 Q. BY MR. DAILEY: Okay. Go to pages 11 through 12.
6 Are these the processes identified in the
7 spreadsheet that you were speaking about earlier this
8 afternoon?
9 A. I don't -- I don't know. You will really have to
10 ask Agra-Tech about those, the project names.
11 Q. Have you ever referred to this Exhibit 3 as a
12 private placement memorandum?
13 A. Take the Fifth.
14 Q. Isn't it true that you have represented to Agra
15 offerees and investors that Exhibit No. 3 is a private
16 placement memorandum?
17 A. Take the Fifth.
18 Q. Okay. Have you ever spoken to Larissa Thomis?
19 A. Yes.
20 Q. When was the last time you spoke to her?
21 A. August 2005 approximately.
22 Q. What did you talk about at that time?
23 A. We talked about moving forward with Tim's
24 passing, with regard to what he was doing for Agra-Tech.
25 Q. Okay. Did she ask you at that time to take over

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1 Tim Thomis' responsibility on behalf of Agra-Tech?
2 (Whereupon, the witness conferred with his
3 counsel.)
4 THE WITNESS: Take the Fifth.
5 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
6 you were asked and you, in fact, did take over
7 Tim Thomis's security salesman's responsibilities on
8 behalf of Agra-Tech?
9 A. Take the Fifth.
10 MR. DAILEY: Let's go off the record.
11 (Whereupon, there was a discussion off the
12 record.)
13 MR. DAILEY: Back on the record.
14 Q. BY MR. DAILEY: Mr. Paille, what is your
15 understanding of what a general agent is?
16 A. The only understanding that I have is based on
17 what was defined in the contract.
18 Q. Okay. Describe the commission structure as it
19 relates to you and your offers and sales of Ore Rights &
20 Mining Agreement or ore contracts.
21 (Whereupon, the witness conferred with his
22 counsel.)
23 THE WITNESS: Take the Fifth.
24 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
25 Agra-Technologies paid you a 25 percent commission based

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1 on the total dollar amount of your sales of the Ore
2 Rights & Mining Agreement?
3 (Whereupon, the witness conferred with his
4 counsel.)
5 THE WITNESS: I'll take the Fifth.
6 Q. BY MR. DAILEY: Did you receive any commissions
7 from Agra for arranging and executing bridge loan
8 investments?
9 (Whereupon, the witness conferred with his
10 counsel.)
11 THE WITNESS: I'll take the Fifth.
12 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
13 you received a commission for your sale of bridge loan
14 investments on behalf of Agra-Technologies?
15 (Whereupon, the witness conferred with his
16 counsel.)
17 THE WITNESS: I'll take the Fifth.
18 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
19 you received a commission or money in exchange for your
20 offer and sales of Agra-Technology stock?
21 A. I'll take the Fifth.
22 Q. Did you ever offer and sell the platinum rental
23 fund investment on behalf of Agra-Technologies?
24 (Whereupon, the witness conferred with his
25 counsel.)

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1 A. Take the Fifth.
2 Q. Isn't it also true, Mr. Paille, that you would
3 post the Agra investor updates on Agra's web site about
4 once a month?
5 A. Take the Fifth.
6 Q. Where did the raw data or information set forth
7 in the updates come from?
8 (Whereupon, the witness conferred with his
9 counsel.)
10 THE WITNESS: Take the Fifth.
11 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
12 Agra, Bill Pierson, Dick Campbell and Bill Baker provided
13 you with the raw data and information set forth in the
14 investor updates that we just spoke about?
15 A. Take the Fifth.
16 Q. Isn't it also true, Mr. Paille, that with respect
17 to the investor updates that Agra, Pierson, Campbell and
18 Baker provided you with detailed calculations of the
19 projected investor return set forth in the investor
20 updates?
21 A. Take the Fifth.
22 Q. Mr. Paille, what exactly did you tell the
23 investors about how their Agra investment moneys would be
24 spent by Agra?
25 A. Take the Fifth.

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1 Q. Isn't it true, Mr. Paille, that you informed Agra
2 offerees and investors that Agra would spend their
3 investment money solely for the production of their plant
4 and the procurement of precious metal recovery and
5 processes?
6 A. Take the Fifth.
7 Q. Mr. Paille, what is Agra's current financial
8 condition?
9 (Whereupon, the witness conferred with his
10 counsel.)
11 THE WITNESS: I don't know.
12 Q. BY MR. DAILEY: Okay. Would you agree or
13 disagree with the statement that Agra's business
14 operations were failing beginning at the end of 2005 to
15 the present day?
16 A. Let me confer.
17 MR. DAILEY: Take your time.
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: You are looking for the time frame
21 of the 2005?
22 Q. BY MR. DAILEY: The end of 2005 throughout 2006
23 to the present day my opinion is that Agra's business
24 operations were failing and they continue to fail.
25 So I am asking if your understanding of whether

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1 that assumption is correct or incorrect.
2 A. I was not aware of financial difficulties until
3 probably somewhere in the 2006 time frame. And at that
4 point I would classify the cash flow situation as the
5 biggest risk item, not technological.
6 Q. Okay. Would you agree that whether or not Agra
7 was experiencing tight cash flow problems throughout the
8 period of 2006 would be material to whether or not a
9 potential Agra investor would want to invest in Agra?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: Take the Fifth.
13 Q. BY MR. DAILEY: Did Agra -- in the year 2006 did
14 Agra take out a second mortgage on their Leupp Road
15 processing plant?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: I don't know. You will have to ask
19 Agra-Tech that.
20 Q. BY MR. DAILEY: Okay. Isn't it true, Mr. Paille,
21 that at no time in the year 2006 did you ever inform any
22 Agra offeree or investor that Agra was running out of
23 money?
24 A. Take the Fifth.
25 Q. Isn't it true, Mr. Paille, that you never

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1 informed any Agra offeree or investor prior to their
2 investments that Agra's primary revenue source has always
3 been investor money as opposed to the sale of precious
4 metals extracted from the Sheep Hill volcanic cinders?
5 A. Take the Fifth.
6 Q. Isn't it true, Mr. Paille, that you at no time
7 ever informed any Agra offerees and investors that Agra
8 has never to date produced any marketable quantities of
9 any precious metals from the Sheep Hill volcanic cinders?
10 A. Take the Fifth.
11 Q. Are you aware of the Richard Campbell versus Agra
12 lawsuit that is pending in the Maricopa County Superior
13 Court?
14 (Whereupon, the witness conferred with his
15 counsel.)
16 THE WITNESS: Repeat the question, please.
17 Q. BY MR. DAILEY: Are you aware of the current
18 pending lawsuit filed by Richard Campbell against
19 Agra-Technologies that is pending in Maricopa County
20 Superior Court?
21 A. Yes.
22 Q. Okay. Isn't it true, Mr. Paille, that all of the
23 Agra investor updates that were provided to Agra's
24 investors from July of 2006 to the Division's file of the
25 TC&D on October 18th of 2006 failed to state that

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1 respondent Richard Campbell sued Agra-Technologies for
2 securities fraud?
3 A. Take the Fifth.
4 Q. Isn't it true that both Agra and Bill Pierson
5 also asked you to take over Tim Thomis' salesman --
6 securities salesman's responsibility on behalf of Agra
7 after he died?
8 A. Take the Fifth.
9 Q. Isn't it true from the date that you took over
10 Tim Thomis' securities salesman's responsibility on behalf
11 of Agra that each of the updates that you therefore issued
12 on behalf of Agra included an offer to purchase some type
13 of Agra investment, such as stock, bridge loans or the
14 Agra Ore Rights & Mining Agreements?
15 A. Take the Fifth.
16 Q. Have you ever seen any evidence that Agra has
17 ever attempted to go public?
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: I have been informed by
21 Bill Pierson of his intentions relevant to going public.
22 Q. BY MR. DAILEY: Okay. Have you seen any
23 documents, Mr. Paille, demonstrating that efforts have
24 been taken by either Mr. Pierson or Agra to take their
25 company public?

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1 A. No.
2 Q. Are you aware of what salaries were paid by Agra
3 in 2005 to either Bill Pierson or Dick Campbell?
4 A. No.
5 Q. Given the fact that no Agra investors have yet to
6 receive any returns or profits from their Agra investors,
7 would you be surprised to learn that both Pierson and
8 Campbell received close to half a million dollars in
9 salary in 2005 alone?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: Could you repeat that?
13 Q. BY MR. DAILEY: Do you think that Agra's
14 investors would want to know the salaries that were paid
15 to both Bill Pierson and Dick Campbell in the year 2005?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: Take the Fifth.
19 Q. BY MR. DAILEY: Isn't it true that Agra investors
20 and offerees would want to know the exact amount of salary
21 paid by Agra to both Bill Pierson and Dick Campbell in
22 light of the fact that they haven't received any returns
23 on their investment?
24 A. Take the Fifth.
25 Q. Isn't it true, Mr. Paille, that you received a

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1 total of \$2,389,412 in commissions for your offer and
2 sales of Agra securities on behalf of Agra?
3 (Whereupon, the witness conferred with his
4 counsel.)
5 THE WITNESS: Take the Fifth.
6 Q. BY MR. DAILEY: How many Agra ore contracts or,
7 as we state earlier, Ore Rights & Mining Agreements did
8 you individually purchase?
9 (Whereupon, the witness conferred with his
10 counsel.)
11 THE WITNESS: Ore rights contracts, 20 units.
12 Q. BY MR. DAILEY: Was any of the purchase price for
13 those 20 Agra ore contracts paid for with commissions that
14 you earned by selling Agra securities?
15 (Whereupon, the witness conferred with his
16 counsel.)
17 THE WITNESS: Take the Fifth.
18 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
19 some portion of the 20 ore contracts that you purchased
20 from Agra involved some portion of the commissions that
21 you received from Agra for selling Agra securities?
22 A. Take the Fifth.
23 Q. What is your understanding of how Agra would use
24 the revenue generated by the sale of ore contract units?
25 (Whereupon, the witness conferred with his

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1 counsel.)
2 THE WITNESS: That was to be used for process
3 development and constructing the pilot facility.
4 Q. BY MR. DAILEY: Did Agra or anyone else
5 associated with Agra ever tell you that the revenue
6 generated from the sale of ore contracts would be used for
7 any other purpose than for the development of precious
8 metal processing plant or the procurement or development
9 of precious metal recovery technologies?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: No.
13 Q. BY MR. DAILEY: Thank you.
14 Did either Agra, Pierson, Baker or Campbell ever
15 tell you at any time that the unit ore contracts or Ore
16 Rights & Mining Agreements were not securities?
17 (Whereupon, the witness conferred with his
18 counsel.)
19 THE WITNESS: Could you repeat the question?
20 Q. BY MR. DAILEY: Did anyone associated with Agra
21 ever inform you that the ore contracts or Ore Rights &
22 Mining Agreements were not securities under Arizona law?
23 A. Yes. I was informed that they were not
24 securities.
25 Q. Okay. Who told you that the ore contracts were

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1 not securities?
2 A. It was either Bill Pierson or Dick Campbell. At
3 this point in time I don't know who.
4 Q. Have you ever seen an attorney opinion or
5 accountant opinion or any other document that ever
6 analyzed whether or not the ore contracts constituted
7 securities?
8 (Whereupon, the witness conferred with his
9 counsel.)
10 MR. KERCSMAR: Objection; attorney/client.
11 Answer it to the extent that it does not involve
12 information I have given you, discussions we have had.
13 THE WITNESS: Sorry. Could you repeat the
14 question?
15 Q. BY MR. DAILEY: Yes. Other than documents
16 exchanged between you and Mr. KerCSmar, have you ever seen
17 any opinions or documents analyzing whether or not the ore
18 contracts constituted securities?
19 A. No.
20 Q. Okay. I'm not going to mark this as an exhibit,
21 but this is once again an Ore Rights & Mining Agreement or
22 an ore contract brochure produced by Agra and it's Bates
23 labeled ACC011353 to ACC011389.
24 Have you ever seen that particular Agra brochure
25 prior to today?

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1 (Whereupon, the witness conferred with his
2 counsel.)
3 THE WITNESS: I have seen similar documents.
4 Q. BY MR. DAILEY: Did Agra ever produce to you a
5 similar or provide to you a similar Ore Rights & Mining
6 Agreement brochure package?
7 (Whereupon, the witness conferred with his
8 counsel.)
9 THE WITNESS: Yes, they have provided similar
10 documents.
11 Q. BY MR. DAILEY: Yes, I just wanted to know who
12 was generating those.
13 Also take a look at what has been marked as
14 Exhibit No. 4. That is a copy, I believe, of a similar
15 Ore Rights & Mining Agreement brochure.
16 Is Exhibit No. 4 the typical Ore Rights & Mining
17 Agreement investor package that Agra authorized to be sent
18 to potential Agra investors?
19 (Whereupon, the witness conferred with his
20 counsel.)
21 THE WITNESS: Take the Fifth.
22 Q. BY MR. DAILEY: Okay. I'm going to ask you to
23 look at Ore Rights & Mining Agreement package identified
24 in Exhibit No. 1, again, which I previously identified.
25 It starts with Bates label ACC15304.

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1 And the question regarding that particular Ore
2 Rights & Mining Agreement brochure is that -- whether or
3 not -- strike that.
4 As to that Ore Rights & Mining Agreement brochure
5 that starts with 0015303, isn't that the same type of Ore
6 Rights & Mining Agreement solicitation brochure that you
7 regularly distributed to potential Agra investors from
8 July of 2005 to the end of 2006?
9 A. Take the Fifth.
10 Q. Isn't it also true, Mr. Paille, that nothing in
11 that brochure states that Agra will sell the ore contracts
12 only to accredited investors?
13 (Whereupon, the witness conferred with his
14 counsel.)
15 THE WITNESS: Could you repeat the question?
16 Q. BY MR. DAILEY: Isn't it true that no document,
17 including the brochure we just talked about, provided to
18 you by Agra states that Agra will not sell the ore
19 contracts to unaccredited investors?
20 (Whereupon, the witness conferred with his
21 counsel.)
22 THE WITNESS: I have seen no documentation
23 specifying that.
24 Q. BY MR. DAILEY: Okay. If you open that up, and
25 in the first part of the pocket there is a thing called

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1 The 2002 Company Investment Profile. And you will note on
2 that document that there are pictures of platinum bars.
3 Do you happen to know sitting here today where
4 those platinum bars came from?
5 MR. KERCSMAR: For the record, is it this
6 picture?
7 MR. DAILEY: Yes. For the record, if you want to
8 identify the Bates label.
9 MR. KERCSMAR: It's on page ACC015308, the
10 picture in the lower-right corner.
11 Q. BY MR. DAILEY: Mr. Paille, do you know where the
12 platinum metal bars, that your attorney just identified,
13 came from?
14 A. No, I don't.
15 Q. When was the last time that you provided the ore
16 contract brochure to a potential Agra investor?
17 A. Take the Fifth.
18 Q. Isn't it true, Mr. Paille, that you at all times
19 relevant regularly provided that ore contract brochure to
20 potential Agra investors?
21 A. Take the Fifth.
22 Q. Isn't it true, Mr. Paille, that Agra, Pierson,
23 Campbell and Baker authorized you to provide that ore
24 contract brochure to potential Agra investors at all times
25 relevant?

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1 A. Take the Fifth.
2 Q. Can you tell me why the ore contract brochure
3 that we are talking about includes the resumes of both
4 Bill Pierson and Dick Campbell?
5 (Whereupon, the witness conferred with his
6 counsel.)
7 THE WITNESS: My assumption is that they included
8 their resumes because they were both principals of the
9 company.
10 Q. BY MR. DAILEY: Isn't it true that all of the
11 offering or solicitation documents that you have ever seen
12 regarding the ore contracts do not inform the potential
13 Agra ore contract investor that Dick Campbell filed a
14 voluntary no assets bankruptcy?
15 A. Take the Fifth.
16 Q. Isn't it true, Mr. Paille, that in addition to
17 the ore contract brochure we just discussed that you had
18 also in addition to that brochure provided potential Agra
19 investors with at least two investor updates so that they
20 can make an informed decision whether or not they wanted
21 to invest with Agra?
22 A. Take the Fifth.
23 Q. Can you tell me anything about the rollover
24 option that Agra ended up giving existing unit contract
25 investors or ore contract investors?

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1 (Whereupon, the witness conferred with his
2 counsel.)
3 THE WITNESS: The rollover option, as explained
4 to me, is that for every unit purchased the investor would
5 be given the opportunity to purchase two more from the
6 proceeds of the first unit and basically get returns from
7 those additional two units.
8 Q. BY MR. DAILEY: Was the rollover option offered,
9 to your knowledge, to existing ore contract investors
10 because they had not yet been paid any returns on their
11 investments?
12 (Whereupon, the witness conferred with his
13 counsel.)
14 THE WITNESS: The rollover option was explained
15 to me in February of 2004.
16 Q. BY MR. DAILEY: Okay.
17 MR. KERCSMAR: Go on.
18 THE WITNESS: When I -- that was my first
19 purchase of the contract.
20 Q. BY MR. DAILEY: Have you been paid any returns by
21 Agra on your ore contracts that you purchased?
22 (Whereupon, the witness conferred with his
23 counsel.)
24 THE WITNESS: No.
25 Q. BY MR. DAILEY: By the way, with respect -- as

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1 part of Exhibit 1 there is a CD ROM with the logo,
2 verbatim, on top that is green. It's Bates labeled
3 ACC015415.
4 Isn't it true, Mr. Paille, that you also produced
5 this CD ROM to the Division in response to our
6 investigative subpoena?
7 (Whereupon, the witness conferred with his
8 counsel.)
9 THE WITNESS: Take the Fifth.
10 Q. BY MR. DAILEY: Isn't it also true, Mr. Paille,
11 that you also provided the documents and information
12 contained on the CD ROM I just spoke of?
13 A. Take the Fifth.
14 Q. If you could please, going to what has been
15 marked as Exhibit No. 12 to your examination, tell me
16 whether or not you have seen Exhibit No. 12 prior to
17 today.
18 A. Take the Fifth.
19 Q. Isn't it true, Mr. Paille, that you both prepared
20 and caused to be sent Exhibit No. 12 to Agra offerees and
21 investors within and from Arizona?
22 A. Take the Fifth.
23 Q. Isn't it also true, Mr. Paille, that Exhibit
24 No. 12 contains material admissions and misstatements of
25 material facts with respect to the Agra investment at

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1 issue?
2 A. Take the Fifth.
3 Q. To your knowledge, has there been any Agra
4 investor who purchased the ore contract for any other
5 reason other than Agra's claim that it can or will be able
6 to extract precious metals from the cinders on a
7 cost-effective basis?
8 (Whereupon, the witness conferred with his
9 counsel.)
10 THE WITNESS: Take the Fifth.
11 Q. BY MR. DAILEY: Isn't it true that the only
12 reason all of the Agra Ore Rights & Mining Agreements or
13 Agra stock investors purchased their investments from Agra
14 was because of Agra's representation that they could
15 extract precious metals from their cinders on a
16 cost-effective basis?
17 A. Take the Fifth.
18 Q. Mr. Paille, have you ever informed a potential or
19 existing Agra investor that the ore contracts were not
20 securities?
21 A. Take the Fifth.
22 Q. Isn't it true that you informed Agra offerees and
23 investors the ore contracts or Ore Rights & Mining
24 Agreements did not constitute securities?
25 A. Take the Fifth.

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1 Q. Have you ever suggested any changes in the ore
2 contract documents?
3 (Whereupon, the witness conferred with his
4 counsel.)
5 THE WITNESS: I have on occasion selected
6 clarifications to the wording.
7 Q. BY MR. DAILEY: Okay. And to your knowledge did
8 Agra ever implement any of your suggestive changes to ore
9 contract documents?
10 A. Yes.
11 Q. Thank you.
12 To your knowledge -- the original ore contract
13 documents included a payout date.
14 Do you remember what that was in the first ore
15 contracts?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: Sorry. Can you repeat the
19 question?
20 Q. BY MR. DAILEY: What was the payout date stated
21 in the original ore contract documents?
22 MR. KERCSMAR: Objection; form.
23 Answer if you can.
24 THE WITNESS: From my recollection there was not
25 a specific date, but there was given a 12-month time frame

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1 for processing.
2 Q. BY MR. DAILEY: Okay. With respect to the Ore
3 Rights & Mining Agreements, would you agree that investors
4 have invested money with Agra?
5 (Whereupon, the witness conferred with his
6 counsel.)
7 THE WITNESS: Take the Fifth.
8 Q. BY MR. DAILEY: Isn't it also true that all of
9 the ore contract investors or purchasers expect a profit
10 from the purchase of their ore contracts?
11 (Whereupon, the witness conferred with his
12 counsel.)
13 THE WITNESS: Take the Fifth.
14 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
15 both the ore contract investors and Agra shared in the
16 profits from the sale of precious metals extracted from
17 the volcanic cinders?
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: Sorry. Can you repeat the
21 question?
22 Q. BY MR. DAILEY: If Agra were ever able to extract
23 platinum from the volcanic cinders, would not both the ore
24 contract investor and Agra share in the resulting profits?
25 A. That's correct.

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1 Q. Isn't it true, Mr. Paille, that the success of an
2 ore contract investor's investment success is interwoven
3 with and dependent upon the similar investment success of
4 Agra?
5 A. Yes.
6 Q. To your knowledge, has Agra also pulled the ore
7 contract purchaser's money together to build and purchase
8 plant facilities in precious metal recovery technology and
9 expertise?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: Yes.
13 Q. BY MR. DAILEY: Would you agree that the ore
14 contracts are passive investments as to the ore contract
15 purchasers?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: Take the Fifth.
19 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
20 all ore contract investors expected Agra to use its skill
21 and expertise to extract the precious metals from cinders
22 so that they could make a profit?
23 (Whereupon, the witness conferred with his
24 counsel.)
25 THE WITNESS: Take the Fifth.

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1 Q. BY MR. DAILEY: Are you aware of any ore contract
2 investors who possess the technical expertise in the
3 facilities to extract precious metals from their cinders
4 if they desired to do so?
5 (Whereupon, the witness conferred with his
6 counsel.)
7 THE WITNESS: Take the Fifth.
8 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
9 neither you nor anyone else associated with Agra ever
10 specifically informed an ore contract investor that they
11 could lose their entire investment?
12 A. Take the Fifth.
13 MR. DAILEY: Let's take a break.
14 (Whereupon, a recess was taken from 1:58 p.m.
15 until 2:01 p.m.)
16 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
17 no Agra ore contract purchaser has ever made a request to
18 take possession of the volcanic cinders that they
19 allegedly purchased?
20 (Whereupon, the witness conferred with his
21 counsel.)
22 THE WITNESS: Take the Fifth.
23 Q. BY MR. DAILEY: Has Agra ever charged any
24 investor any money to process their volcanic cinders?
25 (Whereupon, the witness conferred with his

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1 counsel.)
2 THE WITNESS: To my knowledge they have not
3 charged anybody for processing.
4 Q. BY MR. DAILEY: Would you agree that it's kind of
5 hard for the ore contract purchasers to take possession of
6 their 50 tons of volcanic cinders, especially in light of
7 the fact that some ore contract investors reside in
8 Britain and Canada?
9 (Whereupon, the witness conferred with his
10 counsel.)
11 THE WITNESS: The possession of cinders can be
12 taken, but it will be multiple large dump truck loads.
13 Q. BY MR. DAILEY: Would you agree that all of the
14 Agra contract purchasers expected a profit from their
15 investments based solely on the efforts of Agra and its
16 employees and agents?
17 (Whereupon, the witness conferred with his
18 counsel.)
19 THE WITNESS: Take the Fifth.
20 Q. BY MR. DAILEY: Do Agra ore contract purchasers
21 have any say in how Agra runs its business?
22 (Whereupon, the witness conferred with his
23 counsel.)
24 THE WITNESS: Could I have you repeat the
25 question?

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1 Q. BY MR. DAILEY: Do any ore contract purchasers
2 have the right to direct Agra's business operations?
3 A. No.
4 Q. Do any of the ore contract investors have any
5 managerial or other duties with respect to either their
6 investment or Agra's business operations?
7 (Whereupon, the witness conferred with his
8 counsel.)
9 THE WITNESS: Take the Fifth.
10 Q. BY MR. DAILEY: Do the Agra ore contract
11 purchasers or investors have any say in how Agra actually
12 processes the volcanic cinders?
13 (Whereupon, the witness conferred with his
14 counsel.)
15 THE WITNESS: Take the Fifth.
16 Q. BY MR. DAILEY: To date has Agra ever engaged in
17 any full-scale production of the volcanic cinders
18 identified in the ore contracts?
19 (Whereupon, the witness conferred with his
20 counsel.)
21 THE WITNESS: They have run a small quantity of
22 full-scale runs relevant to the Galleon process, to my
23 knowledge.
24 Q. BY MR. DAILEY: And in which bank did you
25 temporarily deposit Agra ore contract investor money?

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1 (Whereupon, the witness conferred with his
2 counsel.)
3 THE WITNESS: Take the Fifth.
4 Q. BY MR. DAILEY: Isn't it true that both you and
5 Agra informed investors that Agra could recover up to 13
6 ounces of platinum or more from each ton of ore purchased
7 by the ore contract investors?
8 A. Take the Fifth.
9 Q. Pursuant to all of the ore contract investment
10 solicitation materials, isn't it true that Agra's most
11 often projected recovery of platinum is 5 ounces from each
12 ton of volcanic cinders?
13 (Whereupon, the witness conferred with his
14 counsel.)
15 THE WITNESS: Take the Fifth.
16 Q. BY MR. DAILEY: Isn't it true that the Agra ore
17 contract investor solicitation materials projected
18 extraordinary return on each investor's investment of over
19 700 percent?
20 (Whereupon, the witness conferred with his
21 counsel.)
22 THE WITNESS: Take the Fifth.
23 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
24 in October of 2005 you issued an update on behalf of Agra
25 to investors that states that any risks associated with

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1 purchasing the ore units were virtually zero and had been
2 virtually eliminated?
3 A. Take the Fifth.
4 MR. DAILEY: Can we go off the record?
5 (Conversation off the record.)
6 Q. BY MR. DAILEY: Back on the record.
7 Has Agra repurchased some of the Agra unit
8 contracts or Agra ore contracts?
9 (Whereupon, the witness conferred with his
10 counsel.)
11 THE WITNESS: To my knowledge they have not
12 repurchased any ore contracts.
13 Q. BY MR. DAILEY: Has Agra ever provided any ore
14 contract investors with any actual platinum, gold or
15 silver in return for their original investments?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: To my knowledge, they have not
19 returned any precious metals.
20 Q. BY MR. DAILEY: As to the Agra ore contract
21 investment of investors, does Agra set their 50 tons of
22 volcanic cinders or however amount of volcanic cinders
23 they purchase aside as being owned by that particular
24 investor?
25 (Whereupon, the witness conferred with his

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1 counsel.)
 2 THE WITNESS: I believe at this point in time the
 3 cinders reside on Sheep Hill and are not segregated for
 4 each individual investor.
 5 Q. BY MR. DAILEY: So are all of the ore contract
 6 investors cinders commingled until such time as Agra is in
 7 a position to economically process the cinders?
 8 (Whereupon, the witness conferred with his
 9 counsel.)
 10 THE WITNESS: Take the Fifth.
 11 Q. BY MR. DAILEY: Isn't it true that all of the
 12 cinders relating to all of the ore contract investments at
 13 issue are commingled until such time that Agra is in the
 14 position to economically extract precious metals from the
 15 cinders?
 16 (Whereupon, the witness conferred with his
 17 counsel.)
 18 THE WITNESS: Yes.
 19 Q. BY MR. DAILEY: Can an ore contract investor
 20 choose to take their returns on their investment in either
 21 cash or precious metals?
 22 (Whereupon, the witness conferred with his
 23 counsel.)
 24 THE WITNESS: That option has been discussed
 25 between myself and Agra-Tech. No final resolution on

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1 whether that will be possible.
 2 Q. BY MR. DAILEY: Did Bill Pierson ever personally
 3 offer or sell an Agra ore contract?
 4 (Whereupon, the witness conferred with his
 5 counsel.)
 6 THE WITNESS: I don't know that he has done that.
 7 Q. BY MR. DAILEY: Tell me what your understanding
 8 is as to the bridge loans with equity or stock kickers
 9 offered and sold by Agra.
 10 (Whereupon, the witness conferred with his
 11 counsel.)
 12 THE WITNESS: The bridge loans are short-term
 13 loans to the company for 90 or 180 days. And the
 14 principal is returned or the loan amount is returned after
 15 that period of time, and stock in the company is issued in
 16 lieu of interest.
 17 Q. BY MR. DAILEY: Okay. And isn't it true that the
 18 terms of the amount of stock to be repaid to the bridge
 19 loan investor varied as to each particular bridge loan
 20 investors? For instance, would sometimes a bridge loan
 21 investor receive two shares for every dollar loaned and
 22 some bridge loan investors received a share for each
 23 dollar loaned?
 24 (Whereupon, the witness conferred with his
 25 counsel.)

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1 THE WITNESS: Take the Fifth.
 2 Q. BY MR. DAILEY: Where -- to your knowledge, where
 3 does the money come from, from Agra, to repay the bridge
 4 loan investors?
 5 (Whereupon, the witness conferred with his
 6 counsel.)
 7 THE WITNESS: There is a deal that Agra-Tech is
 8 currently working on that funding upon the closing of that
 9 deal will be used pay off the bridge loans.
 10 Q. BY MR. DAILEY: Okay. Tell me about that deal to
 11 your knowledge.
 12 A. I know very little information about that. The
 13 deal is being done with Mike Zedo of Sedona, and beyond
 14 that I don't know what the terms are.
 15 Q. Do you know Mike Zedo?
 16 A. I have met him.
 17 Q. What does Mike Zedo do for a living?
 18 A. I don't know.
 19 Q. Would you agree that the -- as to the bridge
 20 loans that the amount the investor actually ends up paying
 21 for the stock is much less than the 165 a share?
 22 (Whereupon, the witness conferred with his
 23 counsel.)
 24 THE WITNESS: Take the Fifth.
 25 Q. BY MR. DAILEY: Have you ever -- do you have any

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1 knowledge whether Agra represented to the bridge loan
 2 investors that they would be repaid from the second
 3 mortgage of Agra's properties versus platinum extracted
 4 from the volcanic cinders?
 5 (Whereupon, the witness conferred with his
 6 counsel.)
 7 THE WITNESS: Take the Fifth.
 8 Q. BY MR. DAILEY: Isn't it true that the loans
 9 relating to the bridge loan investments are not actually
 10 secured for any real or personal property?
 11 (Whereupon, the witness conferred with his
 12 counsel.)
 13 THE WITNESS: Take the Fifth.
 14 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
 15 you offered and sold bridge loan investments on behalf of
 16 Agra within and from Arizona?
 17 A. Take the Fifth.
 18 Q. Isn't it true that each person who executed a
 19 bridge loan in favor of Agra expected a return or a profit
 20 on their loan to Agra?
 21 A. Take the Fifth.
 22 Q. What was Agra's motivation in issuing bridge
 23 loans?
 24 (Whereupon, the witness conferred with his
 25 counsel.)

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1 investors that they could earn substantial dividend income
2 from their Agra stock purchases such that they could
3 provide for all their monthly living expenses?
4 A. Take the Fifth.
5 Q. When was the last time, Mr. Paille, that you
6 offered or sold Agra stock?
7 A. Take the Fifth.
8 Q. Isn't it true, Mr. Paille, that you offered Agra
9 stock a better deal to -- regarding -- strike that.
10 Isn't true, Mr. Paille, that you offered to sell
11 Agra stock to investors who had large amounts of money to
12 invest at a much lower rate than you would offer to the
13 ore contract purchasers?
14 A. Take the Fifth.
15 Q. Have you ever heard of Agra's corporate bond
16 program?
17 (Whereupon, the witness conferred with his
18 counsel.)
19 THE WITNESS: That particular program description
20 does not sound familiar.
21 Q. BY MR. DAILEY: Okay. I'm going to go ahead and
22 ask you to look at what has been marked as Exhibit No. 13
23 to your examination.
24 Have you ever seen that particular document
25 before?

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1 (Whereupon, the witness conferred with his
2 counsel.)
3 THE WITNESS: Take the Fifth.
4 Q. BY MR. DAILEY: Isn't it true, Mr. Paille, that
5 you provided Exhibit No. 13 to us via the CD ROM that is a
6 part of Exhibit No. 1?
7 A. Take the Fifth.
8 Q. Isn't it true that this document states that Agra
9 was willing to artificially adjust the yield numbers to
10 cap the return on an ore contract investment to 70K?
11 A. Take the Fifth.
12 Q. Isn't it also true that Exhibit No. 13 as to
13 artificially adjusting the yield states that "It's an
14 ethical issue and it would be a bummer to get caught"?
15 A. Take the Fifth.
16 Q. Can you tell me anything about the house deals,
17 house deals with respect to Agra stock?
18 (Whereupon, the witness conferred with his
19 counsel.)
20 THE WITNESS: Could you repeat the question?
21 Q. BY MR. DAILEY: Well, from your documents -- and
22 I don't want to put words in your mouth -- my
23 understanding is that you kept track of house deals or
24 sales of Agra stock by Agra, Pierson and Baker; is that
25 correct?

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1 A. That is not correct.
2 Q. Okay. Have you ever heard the term of art or
3 phrase "house deals" before?
4 A. Yes.
5 Q. Okay. What is your understanding of the phrase
6 or term house deals?
7 (Whereupon, the witness conferred with his
8 counsel.)
9 THE WITNESS: That refers to mining contracts
10 that were sold directly by Agra-Tech.
11 Q. BY MR. DAILEY: Thank you.
12 And do you have any knowledge about how many ore
13 contracts or mining contracts that were offered and sold
14 by Agra itself?
15 (Whereupon, the witness conferred with his
16 counsel.)
17 THE WITNESS: Not off the top of my head, but
18 that was provided in the documentation that I gave you.
19 Q. BY MR. DAILEY: With -- tell me about the
20 platinum rental program. First off, you invested in the
21 platinum rental program offered by Agra?
22 (Whereupon, the witness conferred with his
23 counsel.)
24 THE WITNESS: Yes.
25 Q. BY MR. DAILEY: And have you received any returns

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1 on the platinum rental fund investment?
2 A. Yes.
3 Q. Okay. How much money has Agra paid you in return
4 for your platinum rental program investment?
5 A. I don't recall off the top of my head, but that
6 also has been provided.
7 Q. Have you also deferred some of the profits --
8 promised profits relating to the platinum rental program
9 to keep Agra afloat?
10 A. Yes.
11 Q. What was your platinum rental program investment
12 amount?
13 A. The principal amount was \$264,000.
14 Q. Okay. Did that come from the commission -- any
15 of that sum come from the commissions you earned on behalf
16 or from Agra sales commission?
17 (Whereupon, the witness conferred with his
18 counsel.)
19 THE WITNESS: Take the Fifth.
20 Q. BY MR. DAILEY: Did you ever offer or sell any
21 platinum rental program investments on behalf of Agra?
22 (Whereupon, the witness conferred with his
23 counsel.)
24 THE WITNESS: No.
25 Q. BY MR. DAILEY: Okay. How many Agra -- how many

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1 shares of Agra stock do you own?
2 A. 250,000.
3 Q. What did you pay -- did you purchase all of those
4 250,000 shares of Agra stock?
5 (Whereupon, the witness conferred with his
6 counsel.)
7 THE WITNESS: Take the Fifth.
8 Q. BY MR. DAILEY: Okay. To your knowledge, how
9 many other platinum rental program investors are there?
10 (Whereupon, the witness conferred with his
11 counsel.)
12 THE WITNESS: There is one other platinum rental
13 fund investor.
14 Q. BY MR. DAILEY: And can you tell me her name,
15 please?
16 (Whereupon, the witness conferred with his
17 counsel.)
18 THE WITNESS: Nancy Duncan.
19 Q. BY MR. DAILEY: When was the last time you spoke
20 to Nancy?
21 A. Probably a year ago.
22 Q. Was there ever any time to your knowledge that
23 Agra has failed it pay her her promised profits in
24 relation to the platinum rental program?
25 (Whereupon, the witness conferred with his

Page 131

1 counsel.)
2 THE WITNESS: Yes. Agra has failed to make in
3 her case -- I'm not sure how she was set up, whether it
4 was monthly or quarterly payments, but Agra has failed to
5 make payments.
6 Q. BY MR. DAILEY: And is that because of Agra's
7 poor cash flow position throughout 2006?
8 A. I believe it is.
9 Q. Did you ever -- isn't it true that you
10 represented to Agra offerees and investors that Agra was
11 likely to receive approximately \$35 million from Capital
12 Corp.?
13 A. Take the Fifth.
14 Q. Other than the corporate bond program, platinum
15 rental program or ore contracts, and stocks and securities
16 that we talked about or investments that we have talked
17 about, are you aware of any other ways that Agra has tried
18 to raise money since July of 2005?
19 (Whereupon, the witness conferred with his
20 counsel.)
21 THE WITNESS: They did issue a PPM proposal that
22 nothing was ever done with it.
23 Q. BY MR. DAILEY: Does that particular document say
24 PPM on it or did it say business plan?
25 A. It says PPM on it.

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1 Q. Okay. To your knowledge, was that ever filed
2 with any federal or state regulatory agency, the PPM?
3 A. Don't know.
4 Q. Do you know anything about somebody or some
5 company in New York who wanted or who was likely to give
6 Agra \$20 million?
7 A. Agra informed me of a group in New York that was
8 looking to invest in Agra-Tech.
9 Q. And when was that as far as you know?
10 A. It was -- I believe it was before I was a general
11 agent, so that would be early 2005.
12 Q. Are you aware of any institutional or large --
13 strike that.
14 Are you aware of any institutional or financial
15 services firm such as Capital Corp. that has ever given
16 Agra any amounts of money?
17 A. I'm not aware of any specific ones.
18 Q. Okay. Let's go ahead and take a break. I think
19 we getting close to being done.
20 (Whereupon, a recess was taken from 2:31 p.m.
21 until 2:36 p.m.)
22 MR. DAILEY: Back on the record.
23 Q. BY MR. DAILEY: Okay. Have you ever offered or
24 sold any other types of investments for companies or
25 persons unrelated to Agra or its agents or employees at

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1 any time?
2 A. Take the Fifth.
3 Q. To your knowledge, since July of 2003 to the end
4 of 2006 did Agra ever cease offering or selling the ore
5 contract investment stocks or bridge loans investments?
6 (Whereupon, the witness conferred with his
7 counsel.)
8 THE WITNESS: Take the Fifth.
9 Q. BY MR. DAILEY: Isn't it true that from July of
10 2003 through the end of 2006 Agra never ceased its offers,
11 sales and issuance of ore contracts, stocks or bridge
12 loans investments?
13 A. Take the Fifth.
14 Q. To your knowledge, do a lot of Agra ore contract
15 investors attend a Flagstaff church at which Mr. or
16 Mrs. Briecheisen is a pastor?
17 (Whereupon, the witness conferred with his
18 counsel.)
19 THE WITNESS: Could you repeat the question,
20 please?
21 Q. BY MR. DAILEY: Do a lot of Agra ore contract
22 investors attend a church where the pastor is either
23 Mr. or Ms. Briecheisen?
24 A. I don't know.
25 Q. Mr. Paille, have you ever met a person or entity

TAB 11

1 ARIZONA CORPORATION COMMISSION
2 SECURITIES DIVISION
3

4 IN THE MATTER OF:)
5)
6 AGRA-TECHNOLOGIES, INC. (a/k/a ATI),)
7 a Nevada corporation,) Docket No.:
8 5800 North Dodge Avenue, Bldg. A) S-20484A-06-0669
9 Flagstaff, Arizona 86004-2963,)
10 et al.,)
11 Respondents.)
12)
13)

14 EXAMINATION UNDER OATH OF JERRY JOHNSTON HODGES

15 Phoenix, Arizona
16 February 15, 2007
17

18 ARIZONA REPORTING SERVICE, INC.
19 Court Reporting
20 Suite Three
21 2627 North Third Street
22 Phoenix, Arizona 85004-1126

23 Prepared for: By: Kate E. Baumgarth
24 Certified Reporter
25 Certificate No. 50582

26 ACC SECURITIES DIVISION

Page 2

1 INDEX TO EXAMINATIONS

2 WITNESSES PAGE

3

4 JERRY JOHNSTON HODGES

5 Examination by Mr. Dailey 5

6 Examination by Mr. Clapper 107

7 Further Examination by Mr. Dailey 110

8

9

10

11

12

13

14

15 INDEX TO EXHIBITS

16 NO.	DESCRIPTION	MARKED	IDENTIFIED
17 15	Subpoena for Mr. Paille	5	8
18 16	Documents produced by Mr. Hodges	5	10
19 17	E-mail to David Thatcher dated November 1, 2005	5	103
20 18	Subpoena for Mr. Hodges	8	9
21 19	Check No. 3074	60	60
22			
23			
24			
25			

Page 4

1 Also present continued:

2 Ms. Pam Riley, Forensic Accountant, Securities Division

3

4

5 KATE E. BAUMGARTH, RPR
Certified Reporter
Certificate No. 50582

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Page 3

1 EXAMINATION UNDER OATH OF JERRY JOHNSTON HODGES was

2 taken on February 15, 2007, commencing at 10:00 a.m., at

3 the Arizona Corporation Commission, Securities Division,

4 1300 West Washington Street, Third Floor, Phoenix,

5 Arizona, before KATE E. BAUMGARTH, Certified Court

6 Reporter No. 50582 in and for the County of Maricopa,

7 State of Arizona.

8

9

10 APPEARANCES:

11

12 For the Securities Division:

13 Mike Dailey
Staff Attorney
14 1300 West Washington Street
Phoenix, Arizona 85007

15

16 For Respondent Paille:

17 KERCSMAR & MITCHELL, PLLC
By Geoffrey S. Kerksmar, Attorney at Law
18 3260 North Hayden Road
Suite 204
19 Scottsdale, Arizona 85251

20

21 Also present:

22 Mr. Gary R. Clapper, Investigator, Securities
Division

23

24 Ms. Stephanie Kirk, Legal Assistant, Securities
Division

25

Page 5

1 (Whereupon, Exhibit Nos. 15 through 17 were

2 marked for identification.)

3

4 JERRY JOHNSTON HODGES,

5 called as a witness herein, having been first duly sworn,

6 was examined and testified as follows:

7

8 EXAMINATION

9

10 BY MR. DAILEY:

11 Q. This is part of an inquiry by the Securities

12 Division of the Arizona Corporation Commission in the

13 matter of Agra-Technologies, Inc., et al., in docket

14 No. S-20484A-06-0669 in order to determine if there has

15 been full compliance with the Securities Act of the state

16 of Arizona.

17 The information obtained today may reveal

18 violations of statutes outside of the Securities Act.

19 Persons present are myself, Mike Dailey,

20 enforcement attorney for the Securities Division;

21 Stephanie Kirk, legal assistant to the Securities

22 Division; Geoffrey Kerksmar, who represents the examinee,

23 Jeffrey Mr. Hodges.

24 Mr. Hodges, you have the right to refuse to

25 answer any questions if you think that the answer may tend

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1 to incriminate you personally. You have the right to
2 refuse to produce any private papers which you may feel
3 tend to incriminate you.
4 You do not have the right to refuse to produce
5 corporate papers based upon any claim of
6 self-incrimination.
7 If you choose to be represented by Mr. Kerksmar,
8 who also represents Respondent Larry Paille, you should be
9 aware that a possible conflict of interest may exist on
10 the part of such counsel. That is to say that facts
11 developed during this investigation -- may as revealed to
12 such counsel may result in a situation where counsel is
13 required to choose between competing positions with the
14 result that he or she may not be able to objectively
15 represent both interests.
16 This is being brought to your attention solely to
17 advise you of your right to independent counsel of your
18 own choosing and is not intended to dissuade you from
19 engaging in a particular attorney or do these comments
20 directly or indirectly reflect on the character, integrity
21 or skill of either Mr. Kerksmar or his law firm.
22 Mr. Hodges, are you aware of the possible
23 conflicts that may arise in connection with Mr. Kerksmar
24 representing both you and Mr. Paille in this proceeding
25 and investigation?

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1 A. Yes.
2 Q. Do you still wish to be represented by
3 Mr. Kerksmar?
4 A. Yes, I do.
5 Q. The court reporter will note for the record each
6 time you consult with your attorney before answering.
7 This is done to ensure an accurate record.
8 Since your testimony is being recorded by the
9 court reporter, please respond verbally as opposed to
10 nodding your head or shaking your head or other
11 gesticulations.
12 Also let me finish asking a question before you
13 answer so that there will not be two people speaking at
14 once.
15 If you do not hear a question or do not
16 understand a question, say so and the court reporter will
17 repeat it or I will explain the question further.
18 You are under oath, so any false statements you
19 make may be criminally prosecuted as perjury.
20 Do you understand what I have just explained to
21 you?
22 A. Yes.
23 Q. Thank you. Are you on any medication today or
24 under any physical or mental disability which might
25 interfere with your ability to answer questions?

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1 A. No.
2 Q. Does anybody in the room have a recording device
3 other than the court reporter?
4 A. No.
5 Q. Okay. Mr. Hodges, I will ask you to look briefly
6 at what has been marked as Exhibit 15 to your examination.
7 That is a letter that I believe Gary Clapper, Special
8 Investigator, sent to you, and it includes a subpoena for
9 documents and information.
10 Have you seen that -- these documents in
11 Exhibit 15 prior to today?
12 A. This one says Mr. Paille.
13 Q. Okay.
14 MR. DAILEY: Off the record.
15 (Whereupon, there was a discussion off the
16 record.)
17 MR. DAILEY: All right. Back on the record.
18 Joining us for the examination is also
19 Gary Clapper, special investigator with the Securities
20 Division.
21 I apologize for showing you the subpoena to
22 Mr. Paille.
23 (Whereupon, Exhibit 18 was marked for
24 identification.)
25 Q. BY MR. DAILEY: I am handing you what has been

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1 marked as Exhibit No. 18, which, I believe, is a subpoena
2 that Mr. Clapper sent to you.
3 Have you seen that document before today?
4 A. Yes, I have.
5 Q. Okay. And did you produce all of the documents
6 in your possession or reasonable ability to obtain that is
7 responsive to the subpoena to either the Division or to
8 your attorney?
9 A. Yes, I did.
10 Q. Thank you. Let's go ahead and move to what has
11 been marked as Exhibit No. 16 to this examination or to
12 all examinations. It's a large stack of documents, and
13 they begin with Bates labels ACC075000 and go to 077289.
14 Just take a second to leaf through these documents.
15 Take all the time that you need and tell me if
16 you have seen these documents prior to today.
17 (Whereupon, a discussion was held between the
18 witness and his counsel.)
19 THE WITNESS: This one --
20 MR. KERCSMAR: If you are going to speak -- I ask
21 that you not speak until you are ready to answer the
22 question.
23 THE WITNESS: Okay. Take the Fifth on this.
24 Q. BY MR. DAILEY: Okay. Thank you, Mr. Hodges, for
25 reviewing those documents.

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1 Mr. Hodges, I'm not authorized to compel you to
2 give evidence or testimony as to which you claim your
3 privilege against self-incrimination, and I have no
4 intention of doing so.
5 In addition, I don't have authority to grant you
6 immunity and I do not intend to do so.
7 Any question that I ask hereafter will be with
8 the understanding that if you want to claim your
9 privilege, you need merely state that you refuse to answer
10 on the ground that your answer may incriminate you.
11 You are not compelled to answer any further
12 questions if you wish to assert your privilege.
13 Accordingly, if you answer any questions, you will be
14 doing so voluntarily.
15 Do you understand, Mr. Hodges?
16 A. Yes.
17 Q. Thank you.
18 Is it not true, Mr. Hodges, that you produced all
19 the documents in Exhibit 16 to your attorney,
20 Jeffrey Kercksmar, in response to the administrative
21 subpoena we issued to you and that has been marked as
22 Exhibit No. 18?
23 A. Take the Fifth on that.
24 Q. Isn't it true, Mr. Hodges, that these documents
25 in Exhibit 16 were prepared, received or gathered by you

Page 11

1 in the ordinary course of your business with Agra as
2 indicated on the documents?
3 A. I take the Fifth on that.
4 Q. Thank you. Is it not true, Mr. Hodges, that the
5 documents in Exhibit 16 were prepared in the regular
6 course of business of your work for Agra-Technologies or
7 by you or persons with the same interest in Agra's
8 business as you?
9 A. I take the Fifth on that.
10 Q. Isn't it true, Mr. Hodges, that the documents in
11 Exhibit 16 were kept in the normal course of your business
12 or your work for Agra-Technologies at or about the time of
13 the events demonstrated or evidenced in the documents in
14 Exhibit 16?
15 A. I take the Fifth on that.
16 Q. Mr. Hodges, please state your full name.
17 A. Jerry Johnston Hodges.
18 Q. Have you used any other name?
19 A. No.
20 Q. What is your current home address?
21 A. It's 1858 Gunlock Court, St. George, Utah.
22 Q. Do you know the ZIP code?
23 A. 84790.
24 Q. And how long have you resided at Gunlock Court?
25 A. Oh, this is approximate -- I don't know -- nine

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1 months.
2 Q. Where did you reside prior to Gunlock Court in
3 Utah?
4 A. I didn't reside in Utah prior to that.
5 Q. Okay. Where did you reside prior to the Gunlock
6 Court address?
7 A. In Sedona, Arizona.
8 Q. And what was that address in Sedona?
9 A. I can't remember the number of the house, but it
10 was on Solider Basin Drive in Sedona.
11 Q. Okay. How long did you reside at Solider Basin
12 Drive in Sedona?
13 A. One year.
14 Q. Okay. Do you recall where you resided prior to
15 the Soldier Basin address in Sedona?
16 A. Yes.
17 Q. Could you tell me that address, please?
18 A. 3805 Birchwood Drive, Boulder, Colorado 80304.
19 Q. Thank you. How long did you reside at that
20 address in Boulder?
21 A. Probably somewhere around -- in the late 1980s.
22 Q. Thank you.
23 Please state your educational history beginning
24 with high school to the present.
25 A. From high school -- I attended Jonesboro High

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1 School, which is in Jonesboro, Arkansas, and I attended --
2 and I went to college at Arkansas State College in
3 Jonesboro, Arkansas. And that is my education.
4 Q. Okay. What was the date that you enrolled at
5 Arkansas State, to your knowledge?
6 A. This is approximate. I think 1964.
7 Q. What is your date of birth?
8 A. 11/19/45.
9 Q. Did you obtain any degree from Arkansas State?
10 A. It was a degree in business. I -- gosh, it's
11 been so long ago. I don't remember exactly what it was
12 called.
13 Q. To your recollection, did you actually obtain a
14 degree or graduate?
15 A. Yes, I did.
16 Q. Was it a four-year -- was Arkansas State a
17 four-year institution?
18 A. Excuse me. Yes.
19 Q. Thank you. Have you taken any courses or classes
20 relating to stock or investments?
21 A. I have taken courses and classes in commodity
22 investing.
23 Q. Where were the courses or classes in commodities
24 taken through?
25 A. I don't remember who they were taken through. It

Page 18

1 sold -- strike that.
2 Have you ever offered or sold any commodity
3 investment contract within or from or to Arizona?
4 A. I don't understand that question because you are
5 saying to Arizona. I have never sold commodity contracts
6 to Arizona, to the State of Arizona.
7 Q. I apologize for the question.
8 So your testimony today is that you have never
9 offered or sold a commodity investment contract to any
10 person or entity that resides within Arizona?
11 A. I would have to take the Fifth because I don't
12 remember if I ever had a client from Arizona. I don't --
13 I don't remember that. I don't think I ever did, but --
14 (Whereupon, a discussion was held between the
15 witness and his counsel.)
16 THE WITNESS: Okay. So I would take the Fifth on
17 that.
18 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
19 you offered or sold commodity investment contracts to
20 persons or entities residing in Arizona?
21 A. I'd take the Fifth on that.
22 Q. Have you taken any CPA classes?
23 A. No.
24 Q. Any accounting classes?
25 A. You know, at Arkansas State, yes.

Page 19

1 Q. Have you taken any post-high school classes or
2 training in geology?
3 A. No, I have not.
4 Q. Have you ever taken any post-high school classes
5 or courses or training in metallurgy?
6 A. No.
7 Q. I'm going to ask you for your Social Security
8 number; however, under the Federal Right to Privacy Act
9 you are not obligated to answer. If you do answer, the
10 information will only be used for identification purposes.
11 What is your Social Security number?
12 (Whereupon, a discussion was held between the
13 witness and his counsel.)
14 THE WITNESS: ██████████
15 Q. BY MR. DAILEY: Thank you.
16 What is your current occupation or occupations?
17 A. I do not currently have an occupation.
18 Q. Okay. What was your last occupation or
19 occupations?
20 (Whereupon, a discussion was held between the
21 witness and his counsel.)
22 THE WITNESS: I was a general agent for
23 Agra-Technologies.
24 Q. BY MR. DAILEY: Okay. Isn't it true, Mr. Hodges,
25 that from on or before July of 2005 to the end of 2006

Page 20

1 that you also acted as Agra's authorized securities
2 salesperson?
3 A. I take the Fifth.
4 Q. Okay. Did you have any occupations or jobs
5 during the time that you acted as Agra's authorized
6 general agent?
7 A. No, I did not.
8 Q. Okay. Prior to your work as Agra's general
9 agent, where did you work?
10 A. Futures Technology.
11 Q. Okay. Have you ever been registered as a
12 securities salesman or dealer?
13 A. No.
14 Q. Have you ever taken any test or sought to become
15 a registered securities dealer or salesman?
16 A. No.
17 Q. To your knowledge, is Agra-Technologies
18 registered to issue securities in any jurisdiction?
19 A. I take the Fifth.
20 Q. Isn't it true, Mr. Hodges, that Agra-Technologies
21 is not registered to either issue or sell securities in
22 any jurisdiction?
23 A. I take the Fifth.
24 Q. Are you familiar with the gentleman
25 Timothy Thomis?

Page 21

1 A. Yes.
2 Q. To your knowledge, was Timothy Thomis registered
3 as a securities salesperson or dealer in any jurisdiction?
4 (Whereupon, a discussion was held between the
5 witness and his counsel.)
6 THE WITNESS: Would you please ask that question
7 again?
8 Q. BY MR. DAILEY: Yes. To your knowledge, was
9 Timothy Thomis registered as a securities salesperson or
10 dealer in any jurisdiction?
11 A. I don't have that knowledge.
12 Q. Other than your Series III license to sell
13 commodity investment contracts, do you hold any other
14 state or federal licenses other than a driver's license?
15 A. No.
16 Q. Have you ever been the subject of any
17 investigation or disciplinary action under the Series III
18 commodity investment license?
19 A. No.
20 Q. Have you ever filed for bankruptcy?
21 A. No.
22 Q. Have you ever been convicted of any crime other
23 than a minor traffic offense?
24 A. No.
25 Q. Have you ever been arrested?

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1 Hill volcanic cinders?
2 (Whereupon, a discussion was held between the
3 witness and his counsel.)
4 THE WITNESS: I have been told that they have
5 produced commercially-viable silver from the cinders.
6 Q. BY MR. DAILEY: Okay. And I take it that you
7 relayed that information regarding platinum, gold and
8 silver to investors within and from Arizona?
9 (Whereupon, a discussion was held between the
10 witness and his counsel.)
11 THE WITNESS: Fifth. I will take the Fifth on
12 that.
13 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
14 you represented to potential and existing Agra investors
15 that Agra has produced economically-viable quantities of
16 platinum from the Sheep Hill volcanic cinders?
17 A. I'll take the Fifth.
18 Q. Isn't it true, Mr. Hodges, that you represented
19 to Agra investors and offerees that Agra has produced
20 economically-viable quantities of other platinum group
21 metals from the Sheep Hill volcanic cinders?
22 A. I take the Fifth.
23 Q. Isn't it true, Mr. Hodges, that you represented
24 to Arizona investors and offerees within and from Arizona
25 that Agra-Technologies extracted economically-viable

Page 35

1 quantities of gold from the Sheep Hill volcanic cinders?
2 A. I take the Fifth.
3 Q. Isn't it true, Mr. Hodges, that you represented
4 within and from Arizona to existing and potential Agra
5 investors that Agra can produce economically-viable
6 quantities of silver from the Sheep Hill volcanic cinders?
7 A. I take the Fifth.
8 Q. Isn't it true, Mr. Hodges, that you represented
9 to existing and potential Agra investors within and from
10 Arizona that Agra has extracted precious metals from the
11 Sheep Hill volcanic cinders on a cost-effective basis?
12 A. I take the Fifth.
13 Q. Isn't it true, Mr. Hodges, that you represented
14 to existing and potential Agra investors within and from
15 Arizona that Agra can extract precious metals from the
16 Sheep Hill volcanic cinders on an economically-feasible
17 basis?
18 A. I take the Fifth.
19 Q. Isn't it true, Mr. Hodges, that you represented
20 to existing and potential Agra investors within and from
21 Arizona that Agra can extract precious metals from the
22 Sheep Hill volcanic cinders on a commercially feasible
23 basis?
24 A. I take the Fifth.
25 Q. Are you familiar with the term Ore Rights &

Page 36

1 Mining Agreement?
2 (Whereupon, a discussion was held between the
3 witness and his counsel.)
4 THE WITNESS: Yes.
5 Q. BY MR. DAILEY: What is -- so we are on the same
6 page, what is your most commonly -- what is the term that
7 you most use in connection with the Ore Rights & Mining
8 Agreement?
9 A. I would say ore units.
10 Q. Ore units?
11 A. Uh-huh. Yes.
12 Q. If I use unit contract, will you understand what
13 I am talking about with respect to the Ore Rights & Mining
14 Agreements?
15 A. Yes.
16 Q. Thank you.
17 To date has Agra processed any of the cinders
18 referenced in the ore unit investor contracts, to your
19 knowledge?
20 (Whereupon, a discussion was held between the
21 witness and his counsel.)
22 THE WITNESS: Ask that one more time so I am sure
23 I understand what you are asking me.
24 Q. BY MR. DAILEY: What is your -- let's do it this
25 way.

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1 Is it your understanding that the person who
2 purchases an Ore Rights & Mining Agreement purchases a
3 certain amount of volcanic cinders?
4 A. Yes.
5 Q. Okay. Has Agra-Technologies ever processed any
6 of the volcanic cinders purchased via the Ore Rights &
7 Mining Agreements?
8 A. I think I need to clarify what you are saying.
9 Q. Okay.
10 A. This is what -- I think you are asking have they
11 mined or have they processed any of the cinders that the
12 ore unit holders have purchased.
13 No.
14 Q. That was my question.
15 So to date Agra has only processed volcanic
16 cinders that it possesses?
17 A. They are -- they are in the test process, so they
18 are not actually running units.
19 Q. Okay.
20 A. You know, unit sales or units or ore from the
21 unit that have been purchased.
22 Q. So they haven't to date ramped up to process on a
23 large scale the volcanic cinders purchased by the unit
24 contract holders?
25 A. Correct.

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1 Q. Thank you.
2 Are you aware of any Agra employees being injured
3 due in the inhalation of ammonia fumes at the Agra
4 processing plant?
5 A. No.
6 Q. What is your personal definition of the word,
7 quote/unquote, ore?
8 A. What is my personal opinion of what an ore is?
9 Q. Yes.
10 A. That it's -- it contains precious metals, you
11 know, from whatever source it comes from.
12 Q. Would you agree that ore is defined as a
13 substance that contains precious metals that can be mined
14 on a cost-effective basis?
15 A. Yes, I think that is a good description.
16 Q. Do you believe that the volcanic cinders at issue
17 constitute ore?
18 A. I feel that they can extract precious metals from
19 the cinders, yes.
20 Q. Do you think they can do that on a cost-effective
21 basis?
22 A. Yes.
23 Q. Are you aware whether or not Agra has repurchased
24 or bought out an existing Ore Rights & Mining Agreement
25 holder?

Page 39

1 (Whereupon, a discussion was held between the
2 witness and his counsel.)
3 THE WITNESS: I take the Fifth on that.
4 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
5 Agra has repurchased Ore Rights & Mining Agreements from
6 its investors because they were disappointed with their
7 investment?
8 (Whereupon, a discussion was held between the
9 witness and his counsel.)
10 THE WITNESS: I take the Fifth.
11 Q. BY MR. DAILEY: Other than repurchasing Ore
12 Rights & Mining Agreements, has Agra ever paid any returns
13 to any of the Ore Rights & Mining Agreement investors?
14 A. Not to my knowledge.
15 Q. Has Agra ever paid any dividends or any types of
16 returns to its shareholders?
17 A. Not to my knowledge.
18 Q. Has Agra ever made a net profit from the sale of
19 products and services from 2003 to the present?
20 A. Not to my knowledge.
21 Q. Taking into consideration overhead and production
22 costs, has Agra or its shareholders or investors ever made
23 a profit on the mining of precious metals such as platinum
24 at the Agra processing facilities?
25 A. Not to my knowledge.

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1 Q. Would you agree that as to the Sheep Hill
2 volcanic cinders at issue, all of the processes and
3 technologies that Agra has used to date has not enabled it
4 to extract precious metals from the cinders on a
5 cost-effective basis?
6 A. Ask that again or just read it again.
7 Q. As to all of the technologies and processes that
8 Agra has used to date to extract precious metals, have any
9 of those processes or technologies enabled it to extract
10 any precious metals from the cinders on a cost-effective
11 basis?
12 A. Yes.
13 Q. And how much profit has Agra made from the sale
14 of precious metals extracted from its volcanic cinders?
15 A. To my knowledge they haven't sold any.
16 Q. To date has Agra, Pierson, Baker or Campbell ever
17 developed -- strike that.
18 To date has Agra-Technologies or anyone
19 associated with Agra-Technologies ever develop or acquired
20 a reliable method for extracting any precious metals from
21 the volcanic cinders?
22 A. Ask that one more time. I want to make sure that
23 I know how to answer that properly.
24 Q. To date has Agra-Technologies or any person or
25 entity -- strike that.

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1 To date has Agra-Technologies ever developed or
2 acquired a reliable method for extracting any precious
3 metals from the Sheep Hill volcanic cinders at issue?
4 A. Yes, to my knowledge.
5 Q. Could you define for me what you believe the
6 phrase cost-effective basis means?
7 A. That -- cost effective means that after their
8 cost of production, that there is enough precious metals
9 there to sell on the open market and receive more than
10 their cost.
11 Q. Are you familiar with the Galleon process?
12 A. Yes.
13 Q. Was the Galleon process used by Agra to produce
14 cost-effective quantities of any precious metals from the
15 Sheep Hill volcanic cinders?
16 A. They could do it in laboratory tests, but, you
17 know, in small sizes, but they could never ramp it up and
18 make it feasibly, you know, commercially viable in large
19 quantities.
20 Q. Were the vast majority of Agra Ore Rights &
21 Mining Agreements offered and sold pursuant to the
22 purported validity of the Galleon process?
23 A. Please ask that one more time.
24 (Whereupon, a discussion was held between the
25 witness and his counsel.)

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1 witness and his counsel.)
2 THE WITNESS: I take the Fifth.
3 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
4 Agra-Technologies provided you with the calculations and
5 projected investor returns set forth in the investor
6 updates that we just spoke about?
7 (Whereupon, a discussion was held between the
8 witness and his counsel.)
9 THE WITNESS: I take the Fifth.
10 Q. BY MR. DAILEY: What is Agra-Technologies'
11 current financial condition?
12 (Whereupon, a discussion was held between the
13 witness and his counsel.)
14 THE WITNESS: I'm not aware of that. I don't
15 think it's great since they can't -- yeah. I'm not
16 totally aware, but I don't think it's great.
17 Q. BY MR. DAILEY: Well, what can't they do?
18 A. Well, we have stopped raising any funds per your
19 request.
20 Q. Did you ever inform any -- isn't it true,
21 Mr. Hodges, that you failed to inform potential and
22 existing Agra investors that Agra was running out of
23 investor money since the beginning of 2006?
24 A. I take the Fifth.
25 Q. Isn't it true, Mr. Hodges, that you failed to

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1 inform potential and existing Agra investors prior to
2 their investment that Agra's primary source of revenue has
3 always been investor money as opposed to the sale of
4 precious metals extracted from the Sheep Hill volcanic
5 cinders?
6 A. I take the Fifth.
7 Q. Isn't it true, Mr. Hodges, that you failed to
8 inform potential or existing Agra investors that Agra has
9 never to date produced any precious metals from the Sheep
10 Hill volcanic cinders on a cost-effective basis?
11 A. I take the Fifth.
12 Q. Isn't it true that to date, Mr. Hodges, you have
13 failed to inform potential or existing Agra investors that
14 Richard Campbell filed a lawsuit against Agra-Technologies
15 in Maricopa County for securities fraud?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Hodges, that from the date
18 that both you and Mr. Paille began working on behalf of
19 Agra-Technologies, that each and every one of the updates
20 that you created and sent to Agra investors on behalf of
21 Agra included at least one offer for the sale of an Agra
22 security?
23 A. I take the Fifth.
24 MR. DAILEY: Let's go ahead and take a break.
25 (Whereupon, a recess was taken from 11:38 a.m.

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1 until 12:46 p.m.)
2 MR. DAILEY: Back on the record.
3 Q. BY MR. DAILEY: Mr. Hodges, what was the company
4 again that took over Futures Technology?
5 A. FTI Holdings.
6 Q. Did you sell the company?
7 A. You know, in that kind of thing there is not a
8 whole lot to sell. It's about -- basically, yeah, they
9 kept it going.
10 Q. Did you -- as to Futures Technology and the
11 commodity investment contracts that you offered and sold,
12 how did you get your clients?
13 A. It was basically word of mouth.
14 Q. Did you do any public advertising --
15 A. No.
16 Q. -- or solicitation?
17 (Whereupon, Exhibit No. 19 was marked for
18 identification.)
19 Q. BY MR. DAILEY: I have marked a new exhibit,
20 Exhibit No. 19, which is a check. It's Bates labeled
21 ACC001957. Take a minute to look at Exhibit 19 when you
22 get a chance.
23 That check caught my eye because it says "FTI
24 Management Group in Boulder, Colorado?"
25 A. Uh-huh.

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1 Q. Is that the company you were speaking of earlier?
2 A. No. In fact, this company is no longer around.
3 Q. Okay. What is FTI Management Group, LLC?
4 A. It was an LLC that was formed kind of as a
5 holding company for me to kind of operate out of, and when
6 Tim Thomis died, it was -- you know, there was no
7 longer -- well, I didn't know how to deal with it, so I
8 just closed it down.
9 Q. Was Tim Thomis a member or manager of FTI
10 Management Group?
11 A. He was trustee on it.
12 Q. Were there any other members or managers of that
13 company?
14 A. I was, you know, actually, you know, a manager,
15 but not an owner.
16 Q. What other assets were held by FTI Management
17 Group?
18 A. There was no property or anything like that
19 involved in this company.
20 Q. Did you buy any Agra Ore Rights & Mining
21 Agreements through FTI Management Group?
22 A. You know, I don't remember.
23 Q. You don't?
24 Is that your signature on the check marked as
25 Exhibit 19?

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1 A. Mr. Hodges.
2 Q. Strike that.
3 Isn't it true, Mr. Hodges, that these three pages
4 of documents represent commissions paid to you by
5 Agra-Technologies for your offer and sale of Ore Rights &
6 Mining Agreements within and from Arizona?
7 (Whereupon, a discussion was held between the
8 witness and his counsel.)
9 THE WITNESS: No. That is not correct.
10 Q. BY MR. DAILEY: Okay. Tell me why that is not
11 correct.
12 A. These were payments that Agra-Tech made to me on
13 a loan that I -- on a loan that I had with them.
14 Q. Okay. Is that loan still outstanding?
15 A. Yes, it is.
16 Q. What was the principal amount of the loan?
17 A. \$395,000. I don't remember the --
18 Q. And why did you make that loan?
19 A. To help them move forward in their --
20 Q. What is the outstanding balance due on that
21 \$395,000 loan?
22 A. I don't know exactly. It would be easy to take
23 this off and add interest to see where we are at with it.
24 Q. What are they paying you with respect to interest
25 on that loan?

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1 A. 9 percent.
2 Q. When did you make the \$395,000 loan to them?
3 A. You know, I don't remember the exact date of
4 that, but it was probably late 2004 or maybe -- I mean,
5 just looking -- well, it would be late 2005.
6 Q. Okay. Is that about the time, to your knowledge,
7 that Agra was desperate for investor money?
8 A. They -- I can't answer the desperate part.
9 Q. Were they having cash flow problems at or about
10 the time -- or at or about the end of 2005 or early 2006?
11 (Whereupon, a discussion was held between the
12 witness and his counsel.)
13 THE WITNESS: You know, yes. I assume that they
14 were or I wouldn't be doing this.
15 Q. BY MR. DAILEY: Okay. Did you loan
16 Agra-Technologies any other money other than that \$395,000
17 that we just spoke of?
18 A. No.
19 Q. Have they asked you to loan -- has
20 Agra-Technologies asked you to loan it money other than
21 this \$395,000 loan?
22 A. No.
23 Q. Okay. Let's go to the next set of documents, and
24 they are Bates labeled -- it's a list of names and
25 addresses Bates labeled 075064 to 075083.

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1 Have you seen this, these payments of documents
2 before?
3 (Whereupon, a discussion was held between the
4 witness and his counsel.)
5 THE WITNESS: You know, this is a list of my
6 contacts in my database.
7 Q. BY MR. DAILEY: Okay. When you say "contacts,"
8 are those Agra investors?
9 (Whereupon, a discussion was held between the
10 witness and his counsel.)
11 THE WITNESS: I take the Fifth on this.
12 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
13 the names and entities identified in the documents Bates
14 labeled 075064 to 075083 represent persons or entities
15 that you offered and sold Agra securities to on behalf of
16 Agra technology?
17 A. I take the Fifth on that.
18 Q. Isn't it true, Mr. Hodges, that you directly
19 participated in the offering, selling or managing of the
20 investments held by the person and entities on these
21 documents?
22 A. I take the Fifth on that.
23 Q. The next set of documents, two pages, represent a
24 phase II extended form of the Ore Rights & Mining
25 Agreements.

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1 Have you seen this document prior to today?
2 A. Yes.
3 Q. Who provided you with this document?
4 A. To my knowledge, Agra-Tech.
5 Q. Have you ever provided the Phase II Extended Ore
6 Rights & Mining Agreement Bates labeled 075084 to 075085
7 to any person or entity?
8 A. I take the Fifth on that.
9 Q. Isn't it true, Mr. Hodges, that you provided the
10 Phase II Extended Ore Rights & Mining Agreement to
11 thousands of persons in connection to your solicitation of
12 potential and existing Agra investors to purchase these
13 Ore Rights & Mining Agreements within and from Arizona?
14 A. I take the Fifth on that.
15 Q. How many Ore Rights & Mining Agreements did you
16 personally purchase or purchase through your various LLCs?
17 (Whereupon, a discussion was held between the
18 witness and his counsel.)
19 THE WITNESS: To my knowledge 76.
20 Q. BY MR. DAILEY: Did you pay \$760,000 for those 76
21 ore units or did you get a discount on any of those?
22 A. I paid them in full.
23 Q. The investor updates that I have seen state that
24 the revenues generated by the sale of the Ore Rights &
25 Mining Agreements were to be used by Agra, Pierson, Baker

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1 and Campbell to build or improve the precious metals
2 processing facility and/or acquire or develop new
3 technologies and processes.
4 Is that your understanding?
5 (Whereupon, a discussion was held between the
6 witness and his counsel.)
7 THE WITNESS: I take the Fifth.
8 Q. BY MR. DAILEY: What is your understanding of how
9 Agra was to use the money generated by the sale of Ore
10 Rights & Mining Agreements?
11 (Whereupon, a discussion was held between the
12 witness and his counsel.)
13 THE WITNESS: It was to build the pilot plant at
14 the Leupp Road facility.
15 Q. BY MR. DAILEY: Were the funds also supposed to
16 go towards the development and acquisition of the precious
17 metals recovery technologies and processes?
18 A. Yes.
19 Q. Who told you those two things?
20 A. I would -- Bill Pierson, Dick Campbell,
21 Tim Thomis.
22 Q. Did you ever purchase any Ore Rights & Mining
23 Agreements directly from either Agra-Technologies,
24 Pierson, Baker or Campbell?
25 A. I don't understand that question.

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1 Q. I'm talking about house deals.
2 A. No. I was not a house account.
3 Q. Okay. Did Agra, Pierson, Baker and Campbell or
4 any other person associated with Agra-Technologies ever
5 advise you of any other way that the money generated by
6 the sale of Ore Rights & Mining Agreements were to be
7 spent?
8 (Whereupon, a discussion was held between the
9 witness and his counsel.)
10 THE WITNESS: You know, I was -- they informed me
11 that it went to paying salaries and, you know, plant help
12 and buying equipment, doing what was necessary to run the
13 operation.
14 Q. BY MR. DAILEY: For their precious metal recovery
15 business; correct?
16 A. Yes.
17 Q. Not for personal reasons; correct?
18 A. That's correct.
19 Q. Now, I'm fine. I was just not wanting to
20 interpret you.
21 Do you have any independent knowledge of how much
22 money was paid by Agra for salaries to Pierson, Baker and
23 Campbell?
24 A. No, I don't have that knowledge.
25 Q. Did you receive any commissions on the Ore Rights

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1 & Mining Agreements that you purchased yourself?
2 A. Yes, I did.
3 Q. Was that pursuant to your general agent agreement
4 with Agra-Technologies?
5 (Whereupon, a discussion was held between the
6 witness and his counsel.)
7 THE WITNESS: Yes.
8 Q. BY MR. DAILEY: Did you roll those commissions
9 over into the purchase of yet more Ore Rights & Mining
10 Agreements?
11 A. No.
12 Q. Approximately how many of the units that you
13 purchased were you paid commissions on?
14 A. Without looking, I couldn't get close to telling
15 you that.
16 Q. Were those commissions we just spoke of
17 25 percent of the total unit price?
18 A. Yes.
19 Q. How many shares of Agra stock do you own?
20 A. Over 300,000.
21 Q. Did any portion of your purchase of the 300,000
22 shares of the Agra stock come from the commissions from
23 the sale of Ore Rights & Mining Agreements?
24 A. No.
25 Q. What did you pay for those -- each of those

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1 300,000 shares of Agra stock?
2 (Whereupon, a discussion was held between the
3 witness and his counsel.)
4 THE WITNESS: I take the Fifth on that.
5 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
6 you had to make at least 1,000 offers of the Ore Rights &
7 Mining Agreements to generate at least 189 sales of the
8 Ore Rights & Mining Agreements?
9 A. I take the Fifth on that.
10 Q. Isn't it true that Agra-Technologies knew and
11 approved of all the ways that you offered and sold the Ore
12 Rights & Mining Agreements?
13 (Whereupon, a discussion was held between the
14 witness and his counsel.)
15 THE WITNESS: I take the Fifth on that.
16 Q. BY MR. DAILEY: Go to the second Ore Rights &
17 Mining Agreement, Phase IV, that is Bates labeled 075086
18 to 075087.
19 Have you seen this Ore Rights & Mining Agreement,
20 Phase IV prior to today?
21 A. Yes.
22 Q. And who provided you with this Phase IV unit
23 contract?
24 A. Agra-Technologies.
25 Q. Describe to me the different phases of the Ore

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1 of Alpine Trading Company, LLC?
2 A. Tim Thomis was on that particular company.
3 Q. But you are currently the only manager/member of
4 Alpine Trading Company; correct?
5 A. Well, that is a closed-down company.
6 Q. Okay. Please go to the next set of documents
7 that are stapled. They are ACC015304 -- strike that.
8 They are ACC05108 to 075142.
9 A. Okay.
10 Q. Have you seen these documents prior to today?
11 A. Yes.
12 Q. Who provided you these documents?
13 A. Agra-Technologies.
14 Q. How many of these sets of documents were you
15 provided by Agra-Technologies?
16 A. You know, Tim Thomis also provided me a copy of
17 this, and I would say that the copies came from
18 Tim Thomis, that, you know, I had of these.
19 Q. I want to show you what was marked or a part of
20 Exhibit 1 to Mr. Paille's EUO and it's Bates labeled
21 ACC015304 to 015338. Could you please look at this
22 two-pocket glossy folder for me, please.
23 A. Uh-huh. Okay.
24 Q. Has Agra-Technologies ever provided you with a
25 similar two-pocket glossy folder that includes the same

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1 types of documents?
2 A. As I stated before, I think the majority -- I
3 can't ever remember getting any of these from Agra-Tech.
4 I think when Tim Thomis passed that these came from his
5 place.
6 Q. Okay. I'll take that back.
7 Approximately how many of these glossy two-pocket
8 folders and materials did Tim Thomis provide to you?
9 A. Oh, I have no earthly idea. I am guessing 100 or
10 something in that vicinity.
11 Q. Okay.
12 A. A couple of boxes.
13 Q. Backing up to 075108 to 075142, as to those
14 documents, isn't it true, Mr. Hodges, that you -- that
15 these documents were sent by you to all persons and
16 entities to which you offered and sold Ore Rights & Mining
17 Agreements within and from Arizona?
18 A. I take the Fifth on that.
19 Q. Isn't it true, Mr. Hodges, that Agra-Technologies
20 was both aware of and authorized you to send the documents
21 between 075108 to 075145 to potential Agra investors
22 within and from Arizona?
23 A. I take the Fifth on that.
24 Q. Isn't it true, Mr. Hodges, that 3075108 to 075142
25 contains false statements regarding the purported efficacy

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1 of the Galleon process and Agra's ability to extract
2 precious metals from the Sheep Hill volcanic cinders?
3 (Whereupon, a discussion was held between the
4 witness and his counsel.)
5 THE WITNESS: I take the Fifth on that.
6 Q. BY MR. DAILEY: Did you ever inform any actual or
7 potential ore unit investor that Dick Campbell filed a
8 voluntary no asset bankruptcy?
9 (Whereupon, a discussion was held between the
10 witness and his counsel.)
11 THE WITNESS: I take the Fifth on that.
12 Q. BY MR. DAILEY: Is Agra-Technologies obligated to
13 provide you a 25 percent commission on the rollover unit
14 contract investments at the time those returns were
15 hopefully paid out?
16 (Whereupon, a discussion was held between the
17 witness and his counsel.)
18 THE WITNESS: I take the Fifth on that.
19 Q. BY MR. DAILEY: Did you purchase your Ore Rights
20 & Mining Agreements for any other reason than Agra's claim
21 that it could extract precious metals in the Sheep Hill
22 volcanic cinders on a cost-effective basis?
23 (Whereupon, a discussion was held between the
24 witness and his counsel.)
25 THE WITNESS: That is the reason I purchased

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1 them.
2 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
3 as to the persons or entities that purchased the Ore
4 Rights & Mining Agreements from you, that they purchased
5 those agreements for no other reason than Agra's claim
6 that it could extract precious metals from its volcanic
7 cinders on a cost-effective basis?
8 A. I take the Fifth on that.
9 Q. Isn't it true, Mr. Hodges, that you informed one
10 or more Agra investors that the Ore Rights & Mining
11 Agreements are not securities?
12 A. I take the Fifth on that.
13 Q. Isn't it true, Mr. Hodges, that you offered and
14 sold the Ore Rights & Mining Agreements within and from
15 Arizona from at least January 1st, 2005 to the present?
16 A. That I did what?
17 Q. Offerings and sell Ore Rights & Mining Agreements
18 during those time periods?
19 A. I take the Fifth.
20 Q. Did you invest money with Agra with respect to
21 your purchase of Ore Rights & Mining Agreements?
22 (Whereupon, a discussion was held between the
23 witness and his counsel.)
24 THE WITNESS: Yes.
25 Q. BY MR. DAILEY: Did you expect a profit from your

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1 purchase of your Ore Rights & Mining Agreements from Agra?
2 A. Yes.
3 Q. Under the Ore Rights & Mining Agreements are you
4 and Agra to share in the profits resulting from any
5 precious metals obtained from your volcanic cinders?
6 (Whereupon, a discussion was held between the
7 witness and his counsel.)
8 THE WITNESS: Ask that one more time.
9 Q. BY MR. DAILEY: As to the profits resulting or
10 flowing from the Ore Rights & Mining Agreements, are those
11 split in some fashion and shared between you and
12 Agra-Technologies?
13 A. Yes.
14 Q. Did Agra-Technologies pull your Ore Rights &
15 Mining Agreements investment moneys with other Ore Rights
16 & Mining Agreements investors' moneys to build the plant
17 and obtain technologies?
18 A. They pooled my funds with others, if that is the
19 question.
20 Q. Yes, to build the plant and obtain technologies?
21 (Whereupon, a discussion was held between the
22 witness and his counsel.)
23 THE WITNESS: Yes. They did pool my funds with
24 other investors'.
25 Q. BY MR. DAILEY: Isn't it true that the Ore Rights

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1 & Mining Agreements contracts are passive investments to,
2 for instance, yourself?
3 (Whereupon, a discussion was held between the
4 witness and his counsel.)
5 THE WITNESS: I take the Fifth on that.
6 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
7 the Ore Rights & Mining Agreements investments are passive
8 investments as to yourself?
9 (Whereupon, a discussion was held between the
10 witness and his counsel.)
11 THE WITNESS: Yeah, I take the Fifth on that.
12 Q. BY MR. DAILEY: Are you aware of any Ore Rights &
13 Mining Agreements investor who did not expect Agra to use
14 its own skills and expertise to extract precious metals
15 from the cinders so that they can make a profit?
16 A. I take the Fifth on that.
17 Q. Are you aware of any Ore Rights & Mining
18 Agreements investor who has the technical expertise and
19 skills to extract precious metals from their volcanic
20 cinders?
21 A. Investor themself?
22 Q. Yes.
23 (Whereupon, a discussion was held between the
24 witness and his counsel.)
25 THE WITNESS: I take the Fifth on that.

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1 Q. BY MR. DAILEY: Are you aware of any Ore Rights &
2 Mining Agreements investors who have asked
3 Agra-Technologies to take possession of the volcanic
4 cinders they purchased through the Ore Rights & Mining
5 Agreements?
6 (Whereupon, a discussion was held between the
7 witness and his counsel.)
8 THE WITNESS: I take the Fifth on that.
9 Q. BY MR. DAILEY: Do you have the capability,
10 Mr. Hodges, of taking physical possession of your volcanic
11 cinders and personally extracting any precious metals from
12 your cinders?
13 A. No.
14 Q. Has Agra ever charged any Ore Rights & Mining
15 Agreements investor any money to process the volcanic
16 cinders?
17 (Whereupon, a discussion was held between the
18 witness and his counsel.)
19 THE WITNESS: I think you need to clarify that
20 statement to me.
21 Q. BY MR. DAILEY: Does Agra charge you any amount
22 of money to process your cinders when they are capable of
23 doing so?
24 A. As stated in the contract, yes.
25 Q. Do you personally have any say in how Agra's

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1 business is run or how Agra ultimately spend its money?
2 A. No.
3 Q. Do any of the other Ore Rights & Mining
4 Agreements investors have any right to say how Agra should
5 spend their money or manage it?
6 A. I take the Fifth on that.
7 Q. All right. Isn't it true that Agra informed
8 investors that it could recover up to 13 ounces of
9 platinum from each ton of ore purchased by an Ore Rights &
10 Mining Agreements investor using their precious metals
11 recovery expertise and technologies?
12 A. I take the Fifth on that.
13 Q. Can you tell me all reasons why an Agra
14 investor -- strike that.
15 Tell me all the reason why you purchased your Ore
16 Rights & Mining Agreements.
17 A. You know, I did it to gain a profit off of their
18 knowledge.
19 Q. Isn't it true, Mr. Hodges, that you informed
20 existing and potential Ore Rights & Mining Agreements
21 investors that Agra could recover up to 11 ounces of
22 platinum from each ton of volcanic cinders?
23 A. I take the Fifth on that.
24 Q. Isn't it true, Mr. Hodges, that you informed Agra
25 offerees and investors that Agra's most often projected

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1 recovery of platinum was 5 ounces of platinum from each
 2 ton of volcanic cinders?
 3 A. I take the Fifth.
 4 Q. Isn't it true, Mr. Hodges, that you represented
 5 to existing and potential Agra investors that they could
 6 expect extraordinary returns on each of their unit
 7 investments of over 700 percent or \$70,250 even after the
 8 deduction of Agra's ore processing fees?
 9 A. I take the Fifth.
 10 Q. Isn't it true, Mr. Hodges, that in October of
 11 2005 you issued an update to existing and potential Agra
 12 investors that any risks associated with purchasing the
 13 Ore Rights & Mining Agreements were virtually zero and had
 14 been virtually eliminated?
 15 A. I take the Fifth.
 16 Q. And isn't it true that Agra's management both
 17 approved of the October 2005 investor update and asked you
 18 to send it to actual and potential investors on its
 19 behalf?
 20 (Whereupon, a discussion was held between the
 21 witness and his counsel.)
 22 THE WITNESS: I take the Fifth.
 23 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
 24 both you and Larry Paille have been tasked by Agra to
 25 manage the payout to Ore Rights & Mining Agreements

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1 investors?
 2 A. I take the Fifth.
 3 Q. Isn't it true, Mr. Hodges, that neither you nor
 4 any other Ore Rights & Mining Agreement investor has been
 5 paid any returns on their purchase of the Ore Rights &
 6 Mining Agreements?
 7 (Whereupon, a discussion was held between the
 8 witness and his counsel.)
 9 THE WITNESS: I take the Fifth.
 10 Q. BY MR. DAILEY: Isn't it also true, Mr. Hodges,
 11 that Agra has not provided any Ore Rights & Mining
 12 Agreement investors with any physical precious metals such
 13 as platinum, gold or silver for their original Ore Rights
 14 & Mining Agreements investment?
 15 A. I take the Fifth.
 16 Q. As to your Ore Rights & Mining Agreements and the
 17 volcanic cinders that you purchased, are your volcanic
 18 cinders commingled with the other Ore Rights & Mining
 19 Agreements investors' until such time that Agra can
 20 process those cinders on a large scale?
 21 A. I take the Fifth.
 22 (Whereupon, a discussion was held between the
 23 witness and his counsel.)
 24 THE WITNESS: I take the Fifth.
 25 Q. BY MR. DAILEY: Isn't it true, Agra -- that as to

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1 the volcanic cinders associated with your Ore Rights &
 2 Mining Agreements, that you purchased an undivided
 3 interest in the precious metals contained in the Sheep
 4 Hill cinders?
 5 (Whereupon, a discussion was held between the
 6 witness and his counsel.)
 7 THE WITNESS: Can you ask that again?
 8 Q. BY MR. DAILEY: Are your Sheep Hill volcanic
 9 cinders segregated from the other Ore Rights & Mining
 10 Agreement investors'?
 11 (Whereupon, a discussion was held between the
 12 witness and his counsel.)
 13 THE WITNESS: I take the Fifth.
 14 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
 15 the volcanic cinders that you purchased commingled and
 16 were not segregated from the other Ore Rights & Mining
 17 Agreement investor's?
 18 A. I take the Fifth.
 19 Q. Let's go to the investor updates in Exhibit 16
 20 that begin at 075143 to 075177. And please review those
 21 investor updates for me.
 22 A. Okay.
 23 Q. Mr. Hodges, have you seen those investor updates
 24 that begin at 075143 and go to 075177?
 25 (Whereupon, a discussion was held between the

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1 witness and his counsel.)
 2 THE WITNESS: I take the Fifth.
 3 Q. BY MR. DAILEY: Isn't true, Mr. Hodges, that you
 4 both drafted and prepared and caused to be sent these
 5 investor updates to potential or existing Agra investors
 6 within and from Arizona?
 7 A. I take the Fifth.
 8 Q. Isn't it also true that Agra-Technologies,
 9 Pierson, Baker and Campbell was aware of and approved your
 10 use and sending of these investor updates to potential and
 11 existing Agra investors within and from Arizona?
 12 A. I take the Fifth.
 13 Q. Isn't it true, Mr. Hodges, that these investor
 14 updates contained false statements regarding
 15 Agra-Technologies' ability to extract precious metals from
 16 their volcanic cinders on a cost-effective basis?
 17 A. I take the Fifth.
 18 MR. DAILEY: Okay. Let's take a quick break, if
 19 that is okay with everybody.
 20 (Whereupon, a recess was taken from 1:40 p.m.
 21 until 1:46 p.m.)
 22 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
 23 you offered existing Agra investors \$500 for each person,
 24 friend or entity they could get to purchase an Ore Rights
 25 & Mining Agreement investment?

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1 A. Personally?
2 Q. Yes.
3 A. No.
4 Q. Did you ever receive any type of remuneration in
5 exchange for your offer and sale of bridge loan with
6 equity kickers investments on behalf of Agra?
7 (Whereupon, a discussion was held between the
8 witness and his counsel.)
9 THE WITNESS: I take the Fifth.
10 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
11 you received commissions or other types of remunerations
12 for your offer and sales of bridge loan investments within
13 and from Arizona?
14 A. I take the Fifth.
15 Q. Tell me all the reasons why you purchased your
16 300 shares of Agra-Technologies' stock.
17 (Whereupon, a discussion was held between the
18 witness and his counsel.)
19 THE WITNESS: It was because I felt it would be a
20 good investment in the long term.
21 Q. BY MR. DAILEY: Did you purchase your stock based
22 primarily on Agra's representation that it could extract
23 precious metals from its volcanic cinders on a
24 cost-effective basis?
25 A. Yes, I did.

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1 Q. Did you ever offer or sell Agra-Technologies'
2 stock to unaccredited investors?
3 A. I take the Fifth.
4 Q. Is it not true, Mr. Hodges, that you offered and
5 sold Agra-Technologies' stock to unaccredited investors?
6 A. I take the Fifth.
7 Q. Isn't it also true, Mr. Hodges, that you offered
8 and sold bridge loan with equity kicker investments on
9 behalf of Agra-Technologies to persons or entities that
10 were not accredited?
11 A. I take the Fifth.
12 Q. Isn't it true, Mr. Hodges, that you received
13 substantial commissions from Agra-Technologies on the
14 basis of your offer and sales of Agra-Technologies' stock
15 within and from Arizona?
16 A. I take the Fifth.
17 Q. Isn't it true, Mr. Hodges, that you represented
18 to existing and potential Agra investors that the value of
19 Agra stock would -- could increase by approximately 4,900
20 to 9,400 percent?
21 A. I take the Fifth.
22 Q. Isn't it true, Mr. Hodges, that you also
23 represented to potential and existing Agra investors that
24 Agra stock could provide them with substantial dividends
25 that could be used to pay for all monthly-related

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1 expenses?
2 A. I take the Fifth.
3 Q. Have you ever received any returns from
4 Agra-Technologies' dividends or otherwise on the basis of
5 your 300 shares of Agra-Technologies' stock?
6 A. No, I have not.
7 Q. Have you ever had any other Agra investor
8 complain to you about their particular Agra investment?
9 A. I take the Fifth.
10 Q. Isn't it true that numerous investors who
11 purchased Agra securities from you have complained about
12 the lack of any return on their purchase of Agra
13 securities from yourself?
14 A. I take the Fifth.
15 Q. Isn't it true, Mr. Hodges, that you on behalf of
16 Agra-Technologies offered a better deal to persons or
17 entities who could purchase substantial amounts of
18 Agra-Technologies' stock versus persons who wanted to buy
19 nominal amounts of stock?
20 A. I take the Fifth.
21 Q. Isn't it true, Mr. Hodges, that Agra-Technologies
22 was aware of all aspects of your offers and sales of
23 Agra-Technologies' stock within and from Arizona?
24 A. I take the Fifth.
25 Q. Are you aware of an Agra corporate bond program?

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1 (Whereupon, a discussion was held between the
2 witness and his counsel.)
3 THE WITNESS: No.
4 Q. BY MR. DAILEY: Did you ever offer or sell a
5 platinum rental program on behalf of Agra-Technologies?
6 (Whereupon, a discussion was held between the
7 witness and his counsel.)
8 THE WITNESS: Did I ever what?
9 Q. BY MR. DAILEY: Offer or sell a platinum rental
10 program investment on behalf of Agra-Technologies?
11 A. No, I did not.
12 Q. Isn't it true, Mr. Hodges, that Agra's sales of
13 the bridge loan with equity kicker investments diluted
14 stock value of other Agra stockholders?
15 A. I take the Fifth.
16 Q. To your knowledge, since July of 2003 to the
17 present has Agra ever stopped trying to sell the Agra Ore
18 Rights & Mining Agreements stock or bridge loan
19 investments?
20 (Whereupon, a discussion was held between the
21 witness and his counsel.)
22 THE WITNESS: Yes, they have stopped. And they
23 have stopped because of the actions, the cease and desist
24 order, that you have placed on them.
25 Q. BY MR. DAILEY: From July of 2003 to October 18th

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1 of 2006 did Agra ever cease trying to raise capital funds
2 through the sale of Ore Rights & Mining Agreements stock
3 or bridge loan investments?
4 (Whereupon, a discussion was held between the
5 witness and his counsel.)
6 THE WITNESS: I take the Fifth.
7 Q. BY MR. DAILEY: Is it not true, Mr. Hodges, that
8 since July 2003 to October 18, 2006, Agra never stopped
9 trying to raise funds through the sale of Ore Rights &
10 Mining Agreements stock and bridge loan investments?
11 A. I take the Fifth.
12 Q. Have you ever met a Mr. or Mrs. Briecheisen?
13 A. Who?
14 Q. Mr. or Mrs. Briecheisen.
15 A. No.
16 Q. Isn't it true, Mr. Hodges, that you met a person
17 or entity to which you offered and sold an Agra investment
18 for the first time after you became employed as general
19 agent?
20 A. I take the Fifth.
21 Q. Did Tim Thomis ever attend and promote investment
22 seminars of any type?
23 A. I don't have that knowledge.
24 Q. Have you ever attended an asset protection
25 seminar which Tim Thomis was a participant?

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1 A. Gosh. You know, I think he was -- he was
2 planning on putting one on but died prior to it ever
3 happening.
4 Q. Okay. I'm going to ask you to go to the next set
5 of papers in Exhibit 16, and they begin at 075188 and it
6 goes to 075195.
7 A. Okay.
8 Q. My question to you is: Did you create these
9 documents or did Agra-Technologies provide these documents
10 to you?
11 A. I did not create these. These were provided to
12 me from Agra-Tech.
13 Q. Did you use these documents or what did you do
14 after you received these documents?
15 (Whereupon, a discussion was held between the
16 witness and his counsel.)
17 THE WITNESS: I didn't do anything with these
18 documents. I read them.
19 Q. BY MR. DAILEY: When did you receive these
20 documents?
21 A. Oh, gosh. I have -- I don't have any
22 recollection of that.
23 Q. Do you remember specifically what person at
24 Agra-Technologies sent you those documents?
25 A. No, I don't.

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1 Q. Isn't it true, Mr. Hodges, that you used the
2 information contained in those documents to offer and sell
3 Agra securities within and from Arizona?
4 A. I take the Fifth.
5 (Whereupon, a discussion was held between the
6 witness and his counsel.)
7 MR. KERCSMAR: Do you want to change your answer?
8 THE WITNESS: No.
9 Q. BY MR. DAILEY: Isn't it true, Mr. Hodges, that
10 you gained the information that you obtained after reading
11 these documents to answer and respond to Agra investor
12 questions and concerns?
13 A. I take the Fifth.
14 Q. Isn't it true, Mr. Hodges, that you used the
15 information in these documents provided to you by
16 Agra-Technologies to prepare investor updates or investor
17 solicitation materials?
18 A. I take the Fifth.
19 Q. Okay. And go to the next set of the documents,
20 which is a letter dated February 3, 2006. It goes from
21 075196 to 075206.
22 Have you seen these documents prior to today?
23 A. Yes, I have.
24 Q. At the bottom of the first page, the last
25 paragraph, it says that, "It was made clear that the Sheep

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1 Hill volcanic cinder resource only evidenced trace amounts
2 of platinum."
3 Is that statement true?
4 A. Which paragraph? I'm sorry.
5 Q. It's the very first page, 075196, at the bottom.
6 It says that, "It was made very clear that the Sheep Hill
7 volcanic cinder resource only evidenced trace amounts of
8 platinum."
9 Is that statement true?
10 MR. KERCSMAR: Objection; form.
11 You can answer the question.
12 THE WITNESS: To the best of my knowledge, the
13 trace amount they are talking about is the normal methods
14 of fire assaying the material; that it produces a half
15 ounce of platinum. If you take a whole lot of it, it will
16 vary, but an average is about a half ounce.
17 Q. BY MR. DAILEY: Thank you.
18 The next page, 075197, at the top it says, "It
19 was made clear we bought access to a young and immature
20 technological process."
21 Do you know what process is young and immature he
22 is speaking of as to that sentence?
23 A. I would have to assume it was the Galleon process
24 he is talking about at this point, but I can't, you know,
25 for a fact answer that.

TAB 12

STATE OF ARIZONA

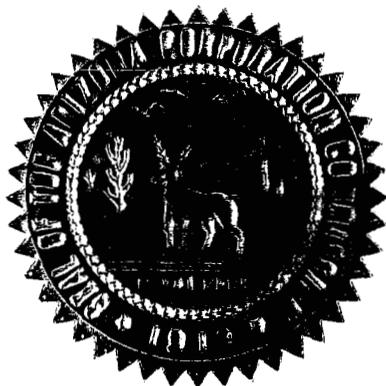


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of 1/1/03 to 12/31/06, Agra Technologies, Inc. has not filed with the Arizona Corporation Commission a notice pursuant to A.R.S. § 44-1850 of the Securities Act of Arizona or Article 12 of the Arizona Investment Management Act (A.R.S. § 44-3321 *et seq.*); has not registered securities with the Arizona Corporation Commission by description pursuant to Article 6 of the Securities Act of Arizona (A.R.S. § 44-1871 *et seq.*) or by qualification pursuant to Article 7 of the Securities Act of Arizona (A.R.S. § 44-1891 *et seq.*); has not registered with the Arizona Corporation Commission as a dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 16th DAY OF February, 2007.



BY _____

Mark Dinell
Assistant Director
Securities Division

STATE OF ARIZONA



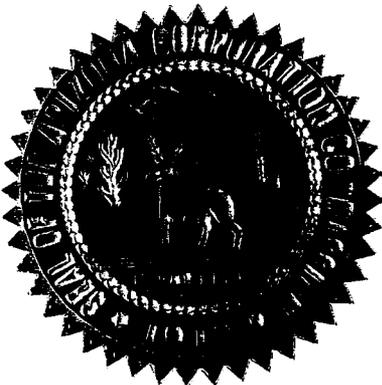
Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of 1/1/03 to 12/31/06, William Jay Pierson has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 16th DAY OF

February, 20 07.



BY

A handwritten signature in cursive script, appearing to read "Mark Dinell", written over a horizontal line.

Mark Dinell
Assistant Director
Securities Division

STATE OF ARIZONA

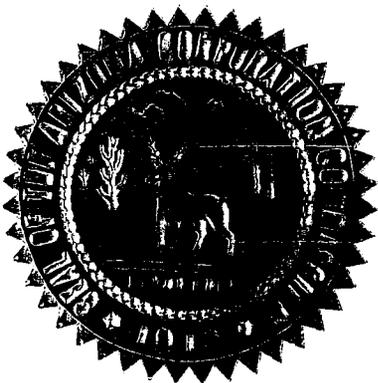


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of 1/1/03 to 12/31/06, William H. Baker Jr. has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 16th DAY OF February, 2007.



BY

A handwritten signature in cursive script, appearing to read "Mark Dinell", written over a horizontal line.

Mark Dinell
Assistant Director
Securities Division

STATE OF ARIZONA

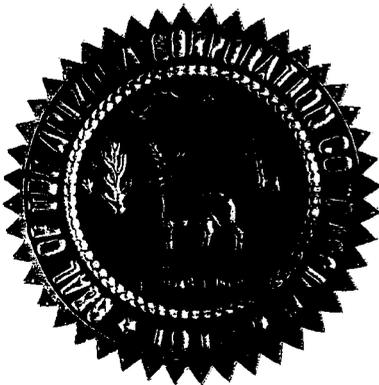


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of 1/1/03 to 12/31/06, Richard Allen Campbell has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 16th DAY OF February, 2007.



BY _____

Mark Dinell
Assistant Director
Securities Division

A handwritten signature in cursive script, appearing to read "Mark Dinell", is written over a horizontal line. A small number "1" is written above the signature.

STATE OF ARIZONA

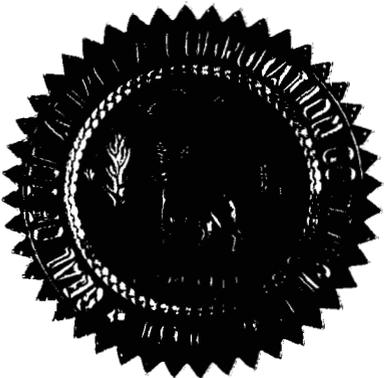


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of January 1, 2003 to December 31, 2006, Jerry J. Hodges has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 21st DAY OF May, 2007.



BY _____


Mark Dinell
Assistant Director
Securities Division

STATE OF ARIZONA



Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of January 1, 2003 to December 31, 2006, Lawrence K. Paille has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 21st DAY OF May, 2007.



BY _____

A handwritten signature in cursive script, appearing to read "Mark Dinell", is written over a horizontal line.

Mark Dinell
Assistant Director
Securities Division

TAB 13

Section 3 – Compliance:

No compliance, reporting, registration, or exemption documents were filed with any state, federal, or regulatory agency by Lawrence K Paille.

Lawrence Kevin Paille
Lawrence Kevin Paille

02-OCT-2006

Date

ACC015071
AGRA TECH.