

**SHASTA RESOURCES COUNCIL**  
*Securing Old Shasta's Future*

May 5, 2005

Joe Rice  
Salmon Creek Resources  
c/o Brent Owen  
P.O. Box 992483  
Redding, CA 96099-2483

Dear Mr. Rice:

This regards community purchase of the Grass Valley Creek parcel you are presently offering to the BLM in trade for Area 51.

As you may be aware, the Shasta Resources Council (SRC) is organizing the formation of a revenue district to generate the funds necessary to acquire Area 51 and certain other BLM parcels in Old Shasta. We will form it through the Community Services District. With the backing of property owners, other municipal agencies, community organizations and so on falling rapidly into place, we feel that all key prerequisites to formation will be established shortly.

Our budget will include capital, maintenance and processing costs. Now would be an ideal time to build a price for your parcel into that budget. The SRC is prepared to allocate an amount reflecting its actual fair market value.

In closing, let me say that the SRC's mission is strictly acquisition. Our plan is to accomplish this through direct purchase or trade as feasible. The sole purpose is community benefit. You will find any dealings with us to be highly forthright and most cordial.

Sincerely,

Randall Hauser, AICP, REA  
Chair

xc: Steve Anderson, BLM  
JR Kaufman, Shasta Community Services District