

MEMORANDUM OF C

Recording Requested by and
When Recorded, Return to:

Hydrogen Energy International, LLC
One World Trade Center, 16th Floor
Long Beach, CA 90831-1600
Attn: Marilyn Wade, Esq.

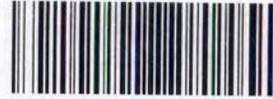
James W. Fitch, Assessor – Recorder
Kern County Official Records

SOFIR
5/29/2009
8:23 AM

Recorded at the request of
First American Title

DOC#: 0209077913

Stat Types: 1 Pages: 8



Fees	30.00
Taxes	0.00
Others	0.00
PAID	\$30.00

(Space above this line for Recorder's use)

MEMORANDUM OF OPTION AGREEMENT

THIS MEMORANDUM OF OPTION AGREEMENT ("**Memorandum**"), is entered into as of May 28, 2009 (the "**Execution Date**"), by and between Samuel John Ackerman and Claire Marie Ackerman, ("**Grantor**"), and Hydrogen Energy International LLC, a Delaware limited liability company ("**Grantee**").

Grantor owns property situated in Kern County, California, comprising approximately 4.72 acres as more particularly described in Exhibit A. Grantor has granted to Grantee an option to purchase the Property on and subject to the terms and conditions contained in that certain Option Agreement between Grantor and Grantee dated May 21, 2009 (the "**Option Agreement**").

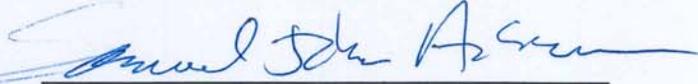
If Grantee fails to give notice of its exercise of the option within the time and in the manner provided in the Option Agreement, this Memorandum shall terminate.

This Memorandum may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which shall constitute one and the same instrument.

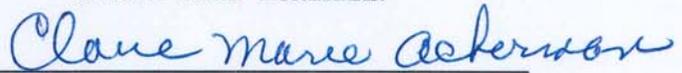
This Memorandum is being made and entered into solely for the purpose of providing notice of the Option Agreement. In the event of any conflict between this Memorandum and the Option Agreement, the Option Agreement shall control.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the Execution Date.

GRANTOR:

Date of Signature: 05/28/09, 2009 

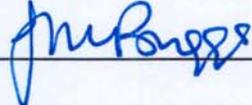
SAMUEL JOHN ACKERMAN



CLAIRE MARIE ACKERMAN

GRANTEE: Hydrogen Energy International LLC, a Delaware limited liability company

Date of Signature: 5/26, 2009

By: 

Name: Jonathan Briggs

Title: REGIONAL DIRECTOR

CALIFORNIA NOTARY ACKNOWLEDGEMENT

STATE OF CA)SS
COUNTY OF KERN)

On MAY 28, 2009, before me, N SMITH, Notary Public, personally appeared SAMUEL JOHN ACKERMAN AND CLAIRE MARIE ACKERMAN, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature N. Smith



My Commission Expires: 3-29-2012

This area for official notarial seal

Notary Name: N SMITH

Notary Phone: 661-327-5311

Notary Registration Number: 1792698

County of Principal Place of Business: KERN

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

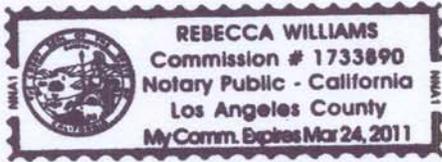
State of California }
 County of Los Angeles

On 5-26-09 before me, REBECCA WILLIAMS / Notary Public,
Date Here Insert Name and Title of the Officer
 personally appeared JONATHAN MICHAEL BRISSE
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Rebecca Williams / Notary Public
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: MEMORANDUM OF OPTIONS AGREEMENT

Document Date: 5/26/09 Number of Pages: 5

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: J. Brisson
 Individual
 Corporate Officer — Title(s): Regional Director
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other: _____



Signer Is Representing: _____

Signer's Name: _____
 Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other: _____



Signer Is Representing: _____

CALIFORNIA COPY CERTIFICATION BY DOCUMENT CUSTODIAN

I, Jonathan Briggs, hereby swear (or affirm) that the attached reproduction of Memorandum of Option Agreement is a true, correct and complete

Description of Original Document

photocopy of a document in my possession.

[Signature]

Signature of Custodian of Original Document

27118 Eastvale Rd, PVP, 90274, CA

Address

State of California

County of Los Angeles

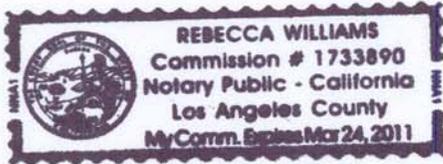
Subscribed and sworn to (or affirmed) before me on this 26 day of MAY, 2009, by

Date Month Year

Jonathan Briggs

Name of Custodian of Original Document

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



Signature [Signature]

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information in this section is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document Copy

Title or Type of Document: _____

Document Date: _____ Identifying No.: _____ No. of Pages: _____

Signer(s) or Issuing Agency: _____

Capacity Claimed by Custodian

Individual Attorney Trustee Business Proprietor or Manager

Corporate Officer — Title: _____

University or School Officer — Title: _____

Governmental Officer or Agent — Title: _____

Other: _____

Custodian Is Representing: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

File No:
APN No: 159-040-17

STATE OF California)SS
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public, personally appeared

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

This area for official notarial seal.

OPTIONAL SECTION CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the documents.

- INDIVIDUAL
 CORPORATE OFFICER(S) TITLE(S)
 PARTNER(S) LIMITED GENERAL
 ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER

SIGNER IS REPRESENTING:

Hydrogen Energy International, LLC
Name of Person or Entity

Name of Person or Entity

OPTIONAL SECTION

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW

TITLE OR TYPE OF DOCUMENT: _____

NUMBER OF PAGES _____ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE _____

EXHIBIT A to Memorandum of Option

DESCRIPTION OF LAND

[TO BE ATTACHED]

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

PARCEL A IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, AS PER PARCEL MAP NO. 10341, FILED AUGUST 29, 1997 IN BOOK 49 PAGE(S) 7 AND 8 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT A PERMANENT AND PERPETUAL UNDIVIDED 1/2 OF ALL OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHIN AND UNDERLYING SAID LAND AS RESERVED IN DEED DATED MARCH 26, 1948 RECORDED APRIL 29, 1948 IN BOOK 1481 PAGE 74, OR.

ALSO EXCEPT AN UNDIVIDED 1/8TH OF ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND AS GRANTED TO JOE G. BANDUCCI, ET AL, BY DEED DATED MAY 19, 1960, RECORDED JULY 6, 1960 IN BOOK 3281 PAGE 600, OF OFFICIAL RECORDS.

ALSO EXCEPT AS A MINERAL INTEREST AND NOT A ROYALTY INTEREST, 18.75% OF THE OIL, GAS, HYDROCARBONS AND ASSOCIATED SUBSTANCES IN, UNDER OR PRODUCED AND SAVED FROM THE PROPERTY FULLY DESCRIBED ON EXHIBIT "A", ATTACHED HERETO AND MADE A PART HEREOF, WITH THE RIGHT TO ENTRY TO THE SURFACE OF SAID REAL PROPERTY FOR THE PURPOSE OF EXPLORING FOR, DEVELOPING AND REMOVING SUCH OIL, GAS, HYDROCARBONS AND ASSOCIATED SUBSTANCES AS CONVEYED TO EDITH BANDUCCI, A WIDOW, ET AL, IN DEED RECORDED MARCH 14, 1986 IN BOOK 5852 PAGE 2322, OFFICIAL RECORDS.

ALSO EXCEPTING ALL REMAINING MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES WITHIN AND UNDERLYING SAID LAND, LYING BELOW A DEPTH OF 500 FEET, BUT WITHOUT THE RIGHT OF SURFACE ENTRY TO EXPLORE, REMOVE, MARKET, MINE OR DRILL FOR SAME, RESERVED BY PALM FARMS, INC., A CALIFORNIA CORPORATION, BY DEED RECORDED SEPTEMBER 15, 1997, AS INSTRUMENT NO. 0197120757, OF OFFICIAL RECORDS.

PARCEL 2:

AN EASEMENT FOR INGRESS, EGRESS AND PRIVATE ROAD PURPOSES OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

ALL THAT PORTION OF SECTIONS 9 AND 10, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 9; THENCE NORTH 89° 23' 30" WEST, ALONG THE NORTH LINE OF SAID SECTION 9, A DISTANCE OF 26.15 FEET; THENCE SOUTH 00° 36' 30" WEST, A DISTANCE OF 30.00 FEET TO THE SOUTH LINE OF ADOHR ROAD AND THE POINT OF BEGINNING.

THENCE (1) SOUTH 44° 18' 24" EAST, A DISTANCE OF 28.33 FEET;

THENCE (2) SOUTH 00° 46' 41" WEST, A DISTANCE OF 590.98 FEET;

THENCE (3) SOUTH 89° 13' 19" EAST, A DISTANCE OF 30.00 FEET;

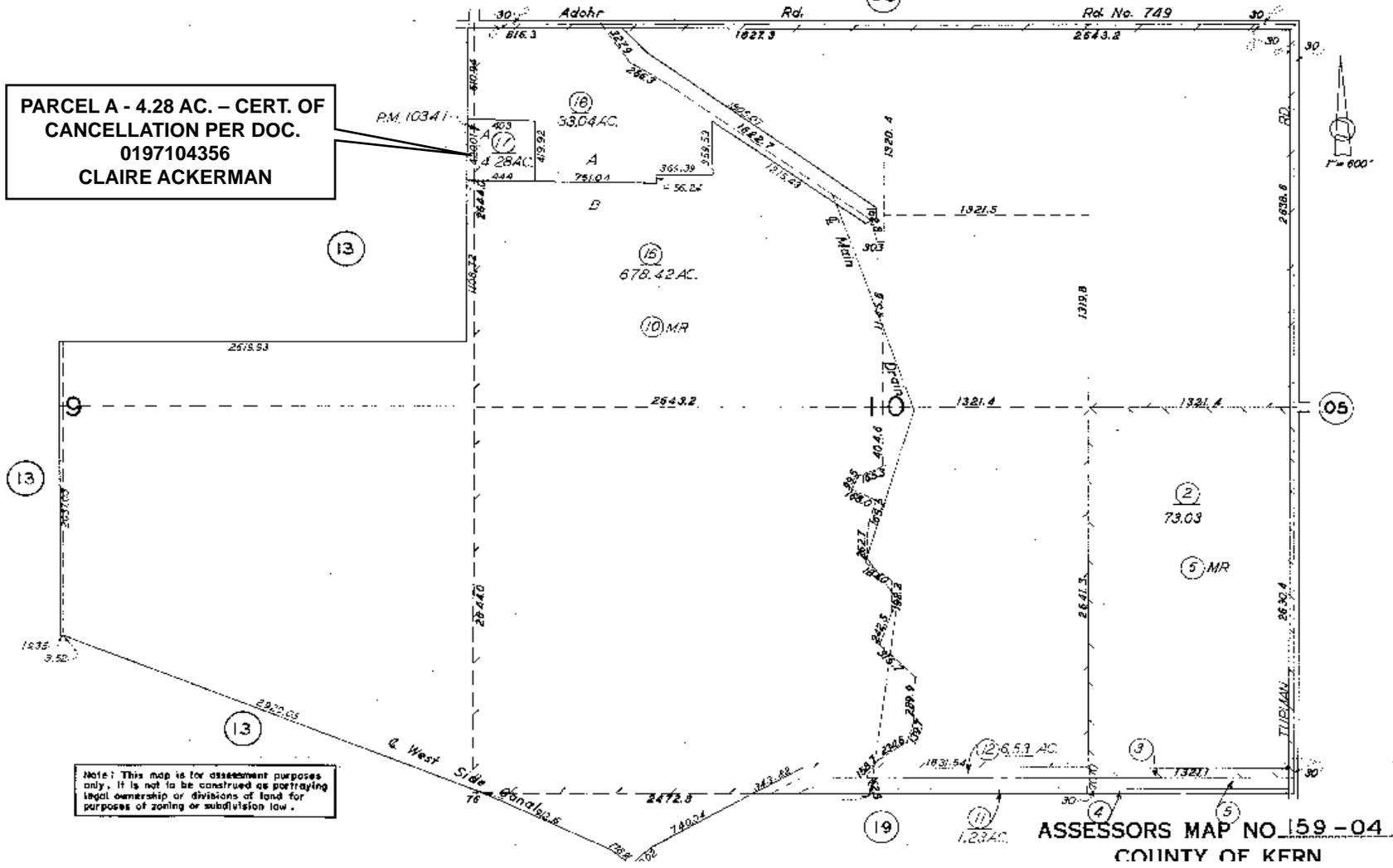
THENCE (4) NORTH 00° 46' 41" EAST, A DISTANCE OF 591.17 FEET;

THENCE (5) NORTH 45° 42' 23" EAST, A DISTANCE OF 28.25 FEET TO THE SOUTH LINE OF ADOHR ROAD;

THENCE (6) NORTH 89° 22' 30" WEST, A DISTANCE OF 70.01 FEET MORE OR LESS TO THE TRUE POINT OF BEGINNING.

APN: 159-040-17

PARCEL A - 4.28 AC. - CERT. OF CANCELLATION PER DOC. 0197104356 CLAIRE ACKERMAN



Note: This map is for assessment purposes only. It is not to be construed as portraying legal ownership or divisions of land for purposes of zoning or subdivision law.

Source:
Assessor's Map No. 159-04
County of Kern, California

ACKERMAN PROPERTY

November 2009 Hydrogen Energy California (HECA)
28067571 Kern County, California

