

PRODUCER AGREEMENT

Whereas, International Resources, Inc (hereinafter referred to as International) has established an Internet coal/petcoke marketing service called the **Coal Exchange**SM, and

Whereas, the **Coal Exchange**SM has solicited Producers to list their coal/petcoke availability and Consumers to purchase coal or petcoke directly from said Producers using the **Coal Exchange**SM, and

Whereas, _____ (hereinafter referred to as Producer) is a Producer of coal or petcoke and may from time to time wish to sell a portion of its production by listings in the **Coal Exchange**SM.

Now therefore, in consideration of valuable services received, the parties agree as follows:

1. International will continue its efforts to obtain and maintain a selection of reliable Consumers to purchase said Producer's coal or petcoke.
2. International will maintain the **Coal Exchange**SM database current to enable the Producer to have access to the widest selection of Consumers available.
3. International will make a good faith effort to maintain only those Consumers who have demonstrated their reliability for acceptance of the orders placed through the **Coal Exchange**SM. However, International makes no warranty as to the acceptance of the quantities of coals listed. International will also use its best efforts to process purchase requests in the order received; however, International is not responsible for errors during the conduct of its activities in completing any sale or purchase of any Lot listed on the **Coal Exchange**SM.
4. The Producer will be assigned an account number and a password by International to gain entry to the **Coal Exchange**SM. The Producer will protect the dissemination of this information to only those individuals within the Producer's organization who have been designated to act on behalf of the Producer as set forth in Exhibit 1.
5. The Producer will use its access to the **Coal Exchange**SM only for the purpose of listing coal or petcoke. Should the Producer desire to have International enter listings of coal or petcoke for sale on the **Coal Exchange**SM, the Producer will complete the information requested in Exhibit 2 and FAX it to (336)982-4036.
6. The Consumer will select the coal or petcoke it wishes to purchase and will notify International by a FAX message in the format of Producer Agreement Exhibit 3, attached hereto for your information. This act by the Consumer constitutes a binding offer to purchase the coal or petcoke
7. International will then confirm the availability of the coal or petcoke and acceptance of Consumer's offer with the listed Producer as set forth in Exhibit 4. If the coal or petcoke is still available, International will then FAX the Consumer a confirmation of the purchase in the format of Consumer Agreement Exhibit 5. The action constitutes a binding agreement for the Producer to pay the commission set forth in Item 8.

- 8. The Producer will pay International a transaction fee equal \$0.25 per ton times the number of tons purchased through the producer posting system. The transaction fee will be \$0.05 per ton for coal purchased through the solicitation bulletin board and for Petroleum Coke purchases. International will issue invoices by FAX for transaction fee due on a bi-monthly basis with such invoices due within 10 days of their date.
- 9. International will then FAX the Consumer the name, address and telephone number of the Producer of the coal or petcoke in the format of Consumer Agreement Exhibit 5. The Consumer will then contact the Producer to arrange the purchase and the delivery. International will delete that coal or petcoke from the **Coal Exchange_{sm}**.
- 10. This agreement shall remain in force for one year from the date of its execution and shall be automatically renewed for four additional terms of one year unless canceled by either party at least 90 days prior to the then current anniversary date. International may cancel this agreement and remove Producer from access to the **Coal Exchange_{sm}** at any time should the Producer fail to pay commissions as set forth in 8 above.
- 11. Notices to each of the parties shall be FAXed or mailed to:

For Producer:	For International Resources, Inc.
_____	Larry E. Smith
_____	467 Calloway Gap Road
_____	West Jefferson, NC 28694
FAX #: _____	FAX #: (336)982-4036
	PHONE (336) 982-9441
- 12. This Agreement shall be governed by the laws of the State of North Carolina. The parties hereto agree that any dispute which may arise from the conduct of this Agreement shall be held in the Courts of North Carolina.

In Witness hereof, the signatures of the parties are affixed as of this the ____ day of _____, 2001.

For Producer:	For International Resources, Inc.
_____	_____
Typed Name: _____	Larry E. Smith
Title: _____	President
Witness: _____	Witness: _____

**ACKNOWLEDGMENT OF PROPRIETARY INFORMATION
AND CONFIDENTIALITY AGREEMENT
INTERNATIONAL RESOURCES, INC
COAL EXCHANGESM**

This Confidentiality Agreement is effective this the _____ day of _____, 2001 between International Resources, Inc. (Coal ExchangeSM) and _____ (Company).

The Coal ExchangeSM is a commercial venture established by International Resources, Inc. whose sources of remuneration are Producers and Consumers of coal using information obtained from the operation of the Coal ExchangeSM. In order to maintain the integrity of the system and prevent unauthorized access, the Coal ExchangeSM requests the Company to execute this Acknowledgment of Proprietary Information and Confidentiality Agreement.

The Coal ExchangeSM and the Company agree that in consideration for obtaining access to information on the Coal ExchangeSM:

1. The Company and its employees will have access to and become familiar with various trade secrets, confidential matters, or proprietary information obtained concerning the operation of the Coal ExchangeSM.
2. The Company and its employees will never disclose to any third party, directly or indirectly, any such trade secrets, confidential matters or proprietary information without the specific written consent of the Coal ExchangeSM. However, if required, the Company may release information, without this written approval, to any state or federal regulatory authority having jurisdiction over the operations of the Company. In such case the Company shall use its best efforts to prevent the public release of such information by marking such information with the phrase "Confidential and Proprietary Information of the Coal ExchangeSM".
3. The Company acknowledges that all such trade secrets, confidential matters or proprietary information is owned by the Coal ExchangeSM.
4. The Company will restrict all information including but not limited to computer assigned passwords and printouts to only those employees within their organization deemed by the Company as requiring such information to carry out their responsibilities within the Company.
5. The Coal ExchangeSM agrees to maintain the confidentiality of any information obtained through operation of the Coal ExchangeSM regarding the purchases of the Company.
6. Any disputes arising out of this agreement shall be resolved under the laws and in the courts of the State of North Carolina.

By: _____
Larry E. Smith, President
International Resources, Inc.

By: _____

PRODUCER AGREEMENT

EXHIBIT 1

Producer hereby designates the following employees within its organization to serve as users of the **Coal Exchange**SM in accordance with the terms and conditions of the agreement between Producer and International Resources, Inc. This Exhibit 1 maybe revised by Producer by notifying International Resources, Inc. of the revised employees.

Date: _____

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EXHIBIT 2

Request for International Resources, Inc. to enter available coal(s) into **Coal Exchange**SM. Complete the following information and FAX to (336) 982-4036.

Company Name _____ Contact Individual _____

Phone _____

Account Number (Required Entry): _____

Shipping Method: Truck _____ Rail _____ Barge _____

Railroad: Norfolk & Southern _____ CSX _____ Conrail _____

Freight District: _____ Shipping Point: _____

Coal Size: Nut & Slack _____ Carbon _____ Stoker Size _____

Tons Available: _____ Volatile: _____%

Price FOB Mine: _____ Ash Softening Temp: _____EF

Shipping Capacity: _____ Grind: _____

Loading Time: _____ % Fines (-1/4") _____

Seam: _____ Labor Union: _____

U.S.B.M. District: _____ Sampling Method: _____

Mining Method: _____ Analysis By: Outside Lab _____ In house _____

Btu: _____ Weight Determined By: _____

Moisture: _____% Coal Description: _____

Ash: _____% Name of Mine: _____

Sulfur _____% State Permit Number: _____

Fixed Carbon _____% Federal MSHA Number: _____

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EXHIBIT 3

(CONSUMER AGREEMENT EXHIBIT 3)

International Resources, Inc. is hereby notified that _____ (Consumer) wishes to purchase Lot _____ listed on the **Coal Exchange**SM at a price of _____ (\$/ton) for _____ tons.

Time (Eastern): _____ Date: _____

For Consumer

By: _____

Typed Name: _____

Title: _____

This Consumer Agreement Exhibit 3 is produced herein for producer's information only.

PRODUCER AGREEMENT

EXHIBIT 4

Producer is hereby requested to verify that Lot _____ listed on the **Coal Exchange**SM is still available for purchase. A consumer has expressed interest in purchasing _____ tons at _____ (\$/ton). Please note the availability and your acceptance of this offer by signing this Exhibit 3 and returning it by FAX to International Resources, Inc. at (336) 982-4036.

Time (Eastern): _____ Date: _____
International Resources, Inc.

By: _____
Larry E. Smith
President

This Lot as set forth above is available for sale.

Time (Eastern): _____ Date: _____

Producer: _____

By: _____

Typed Name: _____

Title: _____

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EXHIBIT 5

(CONSUMER AGREEMENT EXHIBIT 4)

Consumer is hereby notified that Lot _____ listed on the **Coal Exchange**SM is available for purchase at _____ (\$/ton) for _____ tons. Please note your acceptance of this Lot by signing this Exhibit 4 and return by FAX to International Resources, Inc. at (336) 982-4036.

Time (Eastern): _____ Date: _____
International Resources, Inc.

By: _____
Larry E. Smith
President

We accept this Lot as set forth above.

Time (Eastern): _____ Date: _____

Consumer: _____

By: _____

Typed Name: _____

Title: _____

This Consumer Agreement Exhibit 4 is included herein for producer's information only.

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EXHIBIT 6

(CONSUMER AGREEMENT EXHIBIT 5)

International Resources, Inc. hereby notifies Consumer with regard to Lot _____, the Producer, contact person and phone number and other information.

Time (Eastern): _____ Date: _____

Producer: _____

Contact: _____

Telephone: _____

Name of Mine: _____

Mine Location: _____

State Permit Number: _____

Federal MSHA Number: _____

This Consumer Agreement Exhibit 5 is included herein for producer's information only.