

<p>DISTRICT COURT, COUNTY OF TELLER, COLORADO</p> <p>101 W. Bennett Avenue, P.O. Box 997 Cripple Creek, CO 80202</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>PEOPLE OF THE STATE OF COLORADO, Plaintiff,</p> <p>v.</p> <p>SHANNON P. MURPHY, DOB 4/10/1958, Defendant.</p>	
<p>CYNTHIA H. COFFMAN, Attorney General MICHAEL J. BELLIPANNI, Senior Assistant Attorney General* 1300 Broadway, 9th Floor Denver, Colorado 80203 (720) 508-6698 Registration Number: 24421 *Counsel of Record</p>	<p>Case No.:</p> <p>Div.:</p>
<p>COLORADO STATE GRAND JURY INDICTMENT</p>	

COUNT ONE:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50052} (as to Murphy Mining International)

COUNT TWO:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to Murphy Mining and Exploration)

COUNT THREE:

SECURITIES FRAUD, § § 11-51-501(1)(b) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to John Neilsen)

COUNT FOUR:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to EPIC Mineral Resources)

COUNT FIVE:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to all investors)

<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO</p> <p>1437 Bannock Street Denver, CO 80202</p> <hr/> <p>PEOPLE OF THE STATE OF COLORADO,</p> <p>Plaintiff,</p> <p>v.</p> <p>SHANNON P. MURPHY, DOB 4/10/1958,</p> <p>Defendant.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General MICHAEL J. BELLIPANNI, Senior Assistant Attorney General* 1300 Broadway, 9th Floor Denver, Colorado 80203 (720) 508-6698 Registration Number: 24421 *Counsel of Record</p>	<p>Case No.: 17CR001</p> <p>Ctrm: 259</p>
<p>COLORADO STATE GRAND JURY INDICTMENT</p>	

COUNT ONE:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50052} (as to Murphy Mining International)

COUNT TWO:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to Murphy Mining and Exploration)

COUNT THREE:

SECURITIES FRAUD, § § 11-51-501(1)(b) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to John Neilsen)

COUNT FOUR:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to EPIC Mineral Resources)

COUNT FIVE:

SECURITIES FRAUD, § § 11-51-501(1)(c) and 11-51-603(1) C.R.S.
(Class 3 Felony) {50053} (as to all investors)

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO	
1437 Bannock Street Denver, CO 80202	
PEOPLE OF THE STATE OF COLORADO,	
Plaintiff,	
v.	
SHANNON P. MURPHY, DOB 4/10/1958,	
Defendant.	
	▲ COURT USE ONLY ▲
CYNTHIA H. COFFMAN, Attorney General	
MICHAEL J. BELLIPANNI,	
Senior Assistant Attorney General*	Case No.: 17CR001
1300 Broadway, 9th Floor	
Denver, Colorado 80203	Ctrm: 259
(720) 508-6698	
Registration Number: 24421	
*Counsel of Record	
COLORADO STATE GRAND JURY INDICTMENT	

Of the 2017-2018 term of the Denver District Court in the year 2018; the 2017-2018 Colorado State Grand Jurors, chosen, selected and sworn in the name and by the authority of the People of the State of Colorado, upon their oaths, present the following:

ESSENTIAL FACTS

Shannon P. Murphy (“Murphy”) founded, owned and operated several mining operations and businesses, including Epic Mineral Resources, Inc. (EPIC), Murphy Mining International, LLC (MMI) and Murphy Mining and Exploration, LLC (MME). Murphy operated these related entities from 100 W. Bennett Avenue, Cripple Creek, CO, Teller County, Colorado. Murphy accepted investments into all three of the businesses, representing to investors, in Colorado, and through his Colorado companies, that their investment funds would be used for mining operations and would pay substantial returns.

Murphy represented that MMI was engaged in coal mining operations in South Africa. In presenting the investment opportunity, Murphy routinely indicated to investors that the mining operation was approximately ninety days from production. Murphy further represented that once production began, revenues would be generated resulting in profits to the investors. Murphy accepted investments in MMI beginning in approximately August of 2009, until approximately December of 2011.

Beginning in or about March of 2010, in Colorado, Murphy represented that, through his holding company, MME, he was developing a debt free, privately held, gold mining operation which was approximately sixty to ninety days from mineral production. Murphy represented to investors that investments in MME would generate returns through gold mines operated in Colorado. Murphy solicited, accepted, and held investor funds in MME from approximately March of 2010, through June of 2012.

Murphy represented to investors that EPIC, in which he accepted investments from May of 2012, through December of 2014, would provide returns through gold mining operations as well.

During and between July of 2009 and December of 2014, Murphy solicited approximately fifty five individual investors for funds which were to be used for mining operations. Murphy solicited Colorado investors in Arapahoe, Boulder, Broomfield Douglas, Elbert, El Paso, Larimer, Teller and Weld counties. Murphy also solicited and accepted investments from individuals from several other states, including: California, Florida, Illinois, Iowa, Nebraska, Nevada, Ohio, Texas, and Washington. The investor funds were deposited, either by Murphy or through wire transfer by the individual investors, directly into one of Murphy's Colorado bank accounts. These investments, solicited and accepted by Murphy, resulted in investor losses of approximately six million dollars.

The solicitation for the investments was premised upon the representation that Murphy had mining operations in development that were very close to production. Most investors were solicited by Murphy personally, through his own verbal representations, and often supplemented by an offering document, or Private Placement Memorandum (PPM), which included a copy of an operating agreement and subscription agreement. Murphy represented that these mining operations would result in very high returns for the investors. The money collected from investors was to be used for the mining operations.

Murphy solicited and accepted investment amounts from five thousand dollars up to over one hundred thousand dollars. Most investors received a document signed by Murphy, and entitled "Subscription Agreement" or an "Operating Agreement" to evidence their investment. These "Agreements" identified the investor, and acknowledged the amount of the investment. Many investors received Stock Certificates to evidence their investments as well.

The, MMI, MME, and EPIC investments offered and sold by Murphy, evidenced in part by the "Agreements" and Stock Certificates, constitute "securities" pursuant to § 11-51-201(17) C.R.S., and as such, are subject to the provisions of the Colorado Securities Act.

In soliciting investors, Murphy made material, untrue statements and omissions of material facts. Murphy failed to disclose the lack of production by his other mining operations. Murphy failed to disclose the actual long term debt his various entities carried. Murphy failed to disclose the actual use of the investment funds. Murphy failed to disclose to the investors that he had prior and pending lawsuits, some of which resulted in judgments against him. In addition, Murphy failed to disclose the actual status of the mining operations and the risks associated with the investment.

Murphy did not disclose to investors that he had diverted investor funds for uses other than mining operations. Murphy failed to disclose that funds would be used for other purposes, including a contract for an outside investment that was not disclosed to investors, and for his own expenses. Murphy did not disclose to investors that he was diverting investor funds to his wife, or that he was using investor funds to pay household, and other personal expenses.

Murphy failed to disclose the ongoing nature and actual status of the mining operations. The service agreement for mining operations required monthly payments that Murphy failed to make, jeopardizing the status of the mining operations. Investors were not given this information by Murphy.

Murphy continued the acts, practices and course of business designed to defraud investors in and between August of 2009, and through December of 2014. Murphy continued to solicit, accept, and hold investor funds while failing to make the necessary disclosures. Murphy used investor funds to pay personal expenses and continued to make material misstatements and omissions to the investors after their initial investments; inducing investors to make subsequent investments in a continuing series of maintenance and mining operations, knowing that he could not generate the promised returns. These resulting business practices operated as a

fraud or deceit upon investors in the Murphy Mining International, LLC; Murphy Mining and Exploration, LLC; Epic Mineral Resources, Inc.; and related entities. Through the foregoing omissions and material misstatements, Murphy induced investors to make and maintain investments with him, and to make subsequent investments. These resulting business practices operated as a fraud or deceit upon Murphy's investors.

All investors contacted by the Federal Bureau of Investigations and the Internal Revenue Service became aware of potential fraudulent activity by Murphy after January 30, 2014, when the FBI opened its investigation and began to contact and interview investors in Murphy's mining operations. Initial investigation conducted by agents of the Federal Bureau of Investigation and the Internal Revenue Service disclosed that the investors were unaware of the fraudulent activity Murphy engaged in associated with their investments.

COUNT ONE
(Securities Fraud, Course of Business – F3)

About and between August 10 2009, and through approximately October 15, 2013, and discovered on or after January 30, 2014, in and triable in the State of Colorado, SHANNON P. MURPHY, in connection with the offer or sale of any security to investors in Murphy Mining International, LLC, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

Facts that support the offenses set forth in Count One above include, but are not limited to, the following:

1. Murphy registered Murphy Mining International, LLC, with the Secretary of State on or about June 13, 2006. Murphy solicited and accepted investments in MMI about and between May of 2009, and through approximately March of 2011.
2. Individuals who invested in Murphy Mining International, LLC between August 10, 2009, and through approximately October 15, 2013, were told their investment would fund South African coal mining operations undertaken by Murphy Mining International, LLC.

3. Murphy solicited investors to invest in the fraudulent business activity of Murphy Mining International, LLC. Murphy provided investors a Private Placement Memoranda (PPM) including an Operating Agreement and a Subscription Agreement containing financial projections showing significant returns. Investors were provided Stock Certificates to evidence their investment. Murphy never told investors of the actual risks associated with the investments.
4. In connection with the fraudulent sale of these securities, Murphy conducted the business of MMI from 100 W. Bennett Avenue, Cripple Creek, CO, Teller County, Colorado. In furtherance of the commission of this offense, MURPHY used and opened several bank accounts in both his name and in the names of his business entities, including: Murphy Mining International, LLC. Murphy would collect the investment checks personally, have investors mail or bring investment checks to his above listed address, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by Murphy.
5. The investments MURPHY solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about August 10, 2009, Ray McCombs invested a total of approximately one hundred thousand dollars (\$100,000) in MMI. In return for this investment, McCombs received .33% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) On or about April 20, 2011, Marcia Claus invested a total of approximately fifty thousand dollars (\$50,000.00) in MMI. In return for this investment, this investor received .167% membership interest in MMI. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 3) About and between April 21, 2011 and April 22, 2011, Patrick Holmes, by and through the Patrick Holmes Trust, invested a total of approximately one hundred forty thousand dollars (\$140,000.00) in MMI. The approximate dates and amounts of Holmes' investments are:
 - a. On or about April 21, 2011, Holmes invested approximately one hundred thousand dollars (\$100,000).

- b. On or about April 22, 2011, Holmes invested approximately forty thousand dollars (\$40,000).

In return for the investment, this investor received .5% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 4) About and between May 17, 2011, and October 15, 2013, Kristine Chung invested a total of approximately one hundred thousand dollars (\$100,000.00). The approximate dates and amounts of Chung's investments are:
 - a. On or about May 17, 2011, Chung invested approximately thirty five thousand dollars (\$35,000).
 - b. On or about June 9, 2011, Chung invested approximately thirty thousand dollars (\$30,000).
 - c. On or about August 9, 2011, Chung invested approximately twenty thousand dollars (\$20,000).
 - d. On or about September 27, 2011, Chung invested approximately fifteen thousand dollars (\$15,000).

In return for the investments, this investor received 1.5% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference

- 5) On or about December 22, 2011, Scott Ignatius invested a total of approximately twenty five thousand dollars (\$25,000.00) in MMI. In return for this investment, this investor received .05% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 6) On or about December 28, 2011, Robert Thompson invested a total of approximately one hundred thousand dollars (\$100,000.00) in MMI. In return for this investment, this investor received .21% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

6. In connection with the sale of these securities to these investors, Murphy engaged in a course of business which operated as a fraud, in part, by accepting investments in Murphy Mining International, LLC. Murphy failed to use the funds in the represented manner. Murphy also failed to make the necessary disclosures regarding the use of funds and status of the mining operations subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by Murphy, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Count One.

COUNT TWO
(Securities Fraud – Course of Business F3)

About and between March 22, 2010, and through approximately October 2, 2013, and discovered on or after January 30, 2014, in and triable in the State of Colorado, SHANNON P. MURPHY, in connection with the offer or sale of any security to investors in Murphy Mining and Exploration, LLC, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

Facts that support the offenses set forth in Count Two above include, but are not limited to, the following:

1. Beginning in approximately March 22, 2010, Murphy solicited investors in Murphy Mining and Exploration, LLC. Murphy solicited and accepted investments in this company about and between March 22, 2010, and through approximately October 2, 2013.
2. MME was promoted by Murphy as the holding company for multiple entities, including Providence Mine and Caldera Rim Mining Company, which were mines near Cripple Creek, CO. Murphy obtained a business line of credit with Park State Bank and Trust that was later transferred to Adams State Bank

(approximately \$3-4M). Murphy registered this entity with the Secretary of State on or about August 11, 2004.

3. Murphy solicited investors to invest in the fraudulent business activity of Murphy Mining and Exploration, LLC (MME). Murphy provided investors a Private Placement Memoranda (PPM) and related offering documents. Investors were provided Stock Certificates, signed by Murphy, to evidence their investments. Murphy never told investors of the actual risks associated with the investments.
4. In connection with the fraudulent sale of these securities, MURPHY conducted the business of MME from 100 W. Bennett Avenue, Cripple Creek, CO, Teller County, Colorado. In furtherance of the commission of this offense, Murphy used and opened several bank accounts in both his name and in the names of his business entities, including: Murphy Mining and Exploration, LLC. Murphy would collect the investment checks personally, have investors mail or bring investment checks to his above listed address, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by Murphy.
5. The investments Murphy solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about March 22, 2010, Dennis Carey invested a total of approximately seventy five thousand dollars (\$75,000.00). In return for the investment, this investor received .33% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) About and between May 5, 2010, and through approximately November 23, 2010, Robert and Suzanne Sippey invested a total of approximately two hundred fifty five thousand five hundred dollars (\$255,500.00). The approximate dates and amounts of the Sippey's investments are:
 - a. On or about May 5, 2010, the Sippeys invested approximately seventy five thousand dollars (\$75,000).
 - b. On or about September 20, 2010, the Sippeys invested approximately eighty five thousand five hundred dollars (\$85,500).
 - c. On or about November 9, 2010, the Sippeys invested approximately thirty thousand dollars (\$30,000) in two transactions.
 - d. On or about November 23, 2010, the Sippeys invested approximately sixty five thousand dollars (\$65,000).

In return for the investments, these investors received 1.0% membership interest in MME. In connection with the sale of these securities to these investors, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 3) About and between June 14, 2010, and through approximately October 24, 2012, Richard Cullity, by and through Cullity Family Trust invested a total of approximately fifty nine thousand dollars (\$59,000.00). The approximate dates and amounts of Cullity's investments are:
- a. On or about June 14, 2010, Cullity invested approximately twenty seven thousand dollars (\$27,000).
 - b. On or about July 23, 2010, Cullity invested approximately twelve thousand dollars (\$12,000).
 - c. On or about October 24, 2012, Cullity invested approximately twenty thousand dollars (\$20,000).

In return for the investments, the investor received at least .2% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 4) About and between June 28, 2010, and through approximately March 18, 2013, Gary Nelson invested a total of approximately one hundred eighty one thousand six hundred ninety eight dollars (\$181,698.00). The approximate dates and amounts of Nelson's investments are:
- a. On or about June 28, 2010, Nelson invested approximately fifty four thousand dollars (\$54,000).
 - b. On or about February 20, 2013, Nelson invested approximately thirty thousand dollars (\$30,000).
 - c. On or about March 6, 2013, Nelson invested approximately eighty three thousand ninety eight dollars (\$83,098).
 - d. On or about March 18, 2013, Nelson invested approximately fourteen thousand six hundred dollars (\$14,600).

In return for the investments, this investor received at least .2% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 5) On or about July 27, 2010, Carolyn Joan Colip, by and through the Colip Family Limited Partnership invested a total of approximately forty five thousand dollars (\$45,000.00). In return for the investments, this investor received .5% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 6) About and between August 4, 2010, and August 10, 2010, Mary Lundgren and Brenda Eastlick invested a total of approximately eighty four thousand dollars (\$84,000.0000). The approximate dates and amounts of Mary Lundgren and Brenda Eastlick's investments are:
 - a. On or about August 4, 2010, Eastlick and Lundgren invested approximately fifty seven thousand dollars (\$57,000).
 - b. On or about August 10, 2010, Eastlick and Lundgren invested approximately twenty seven thousand dollars (\$27,000).In return for the investments, these investors received .3% membership interest in MME. In connection with the sale of this security to these investors, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 7) On or about August 19, 2010, Craig Baumgartner a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .14% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 8) About and between August 23, 2010, and January 20, 2011, Charles Baumgartner, invested a total of approximately ninety thousand dollars (\$90,000.00). The approximate dates and amounts of Charles Baumgartner's investments are:
 - a. On or about August 23, 2010, Baumgartner invested approximately sixty thousand dollars (\$60,000).
 - b. On or about January 20, 2011, Baumgartner invested approximately thirty thousand dollars (\$30,000).In return for this investment, this investor received .31% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts

as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 9) On or about August 23, 2010, Karen Otto invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) About and between August 25, 2010, and September 3, 2010, Michael and Cheryl Allen invested a total of approximately fifty eight thousand five hundred dollars (\$58,500.00). The approximate dates and amounts of Michael and Cheryl Allen's investments are:
 - a. On or about August 25, 2010, the Allens invested approximately thirty thousand dollars (\$30,000).
 - b. On or about September 3, 2010, the Allens invested approximately twenty eight thousand five hundred dollars (\$28,500).In return for their investments, these investors received .2% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) On or about August 27, 2010, Joe Regan invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) On or about September 1, 2010, David Knize invested a total of approximately sixty one thousand five hundred dollars (\$61,500.00). In return for this investment, this investor received .3% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 13) On or about September 3, 2010, Robert Strait invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 14) About and between September 16, 2010, and March 30, 2012, Owen and Patty Hans, invested a total of approximately eighty six thousand one hundred seventeen dollars (\$86,117.00). The approximate dates and amounts of the Hans' investments are:
- a. On or about September 16, 2010 the Hans invested approximately forty thousand dollars (\$40,000).
 - b. On or about March 30, 2012 the Hans invested approximately forty six thousand one hundred seventeen dollars (\$46,117).
- In return for their investments, these investors received .209% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) About and between September 23, 2010, and October 12, 2010 Anthony Gilland invested approximately seventy one thousand five hundred fifty dollars (\$71,550.00). The approximate dates and amounts of Gilland's investments are:
- a. On or about September 16, 2010, Gilland invested approximately thirty thousand dollars (\$30,000).
 - b. On or about October 12, 2010, Gilland invested approximately forty one thousand five hundred fifty dollars (\$41,550).
- In return for his investments, this investor received .24% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) About and between October 7, 2010, and March 31, 2011, Patrick Holmes, by and through the Patrick Holmes Trust invested a total of approximately ninety thousand dollars (\$90,000.00). The approximate dates and amounts of Holmes' investments are:

- a. On or about October 7, 2010, Holmes invested approximately thirty thousand dollars (\$30,000).
- b. On or about March 31, 2011, Holmes invested approximately sixty thousand dollars (\$60,000).

In return for his investments, this investor received .3% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 17) About and between October 18, 2010 and August 22, 2011, Daniel Dubois invested a total of approximately one hundred fourteen thousand nine hundred eighty dollars (\$114,980.00). The approximate dates and amounts of Dubois' investments are:
- a. On or about October 18, 2010, Dubois invested approximately thirty four thousand nine hundred eighty dollars (\$34,980).
 - b. On or about April 11, 2011, Dubois invested approximately forty thousand dollars (\$40,000).
 - c. On or about August 22, 2011, Dubois invested approximately forty thousand dollars (\$40,000).

In return for his investments, this investor received .32% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 18) On or about October 20, 2010, Lynn Traeber invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 19) On or about November 4, 2010, Carolyn Shotwell invested a total of approximately thirty thousand dollars (\$30,000.00). In return for the investments, this investor received .1% membership interest in Murphy's mining operations and related entities. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and

failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 20) On or about November 12, 2010, Frederick Spiegelberg, by and through High Klippe, LLC invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In return for this investment, this investor received .525% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) About and between December 3, 2010, and December 14, 2010, Jeffrey Bright invested a total of approximately thirty thousand dollars (\$30,000.00). The approximate dates and amounts of Bright's investments are:
- a. On or about December 3, 2010, Bright invested approximately five thousand dollars (\$5,000).
 - b. On or about December 14, 2010, Bright invested approximately twenty five thousand dollars (\$25,000).
- In return for his investments, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) On or about December 10, 2010, John Foss invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) On or about December 14, 2010, Brian Hall invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .35% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

24) About and between February 25, 2011, and March 29, 2011, Tim Leigh, by and through Tim & Rhea Investments, invested a total of approximately seventy five thousand dollars (\$75,000.00). The approximate dates and amounts of Leigh's investments are:

- a. On or about February 25, 2011, Leigh invested approximately fifteen thousand dollars (\$15,000).
- b. On or about March 29, 2011, Leigh invested approximately sixty thousand dollars (\$60,000).

In return for the investments, these investors received .63% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

25) On or about March 30, 2011, William Garrison invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

26) About and between October 29, 2010, and November 13, 2012, 2013, Kristine Chung invested a total of approximately one hundred sixteen thousand dollars (\$116,000.00). The approximate dates and amounts of Chung's investments are:

- a. On or about October 29, 2010, Chung invested approximately ten thousand dollars (\$10,000).
- b. On or about November 2, 2010, Chung invested approximately fifty one thousand dollars (\$51,000).
- c. On or about April 5, 2011, Chung invested approximately twenty five thousand dollars (\$25,000).
- d. On or about April 15 2011, Chung invested approximately five thousand dollars (\$5,000).
- e. On or about November 13, 2012, Chung invested approximately twenty five thousand dollars (\$25,000).

In return for these investments, this investor received at least .324% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

27) About and between April 8, 2011, and August 25, 2011, Robert Thompson invested a total of approximately two hundred thousand dollars (\$200,000.00). The approximate dates and amounts of Thompson's investments are:

- a. On or about April 8, 2011, Thompson invested approximately one hundred thousand dollars (\$100,000.00).
- b. On or about August 25, 2011, Thompson invested approximately one hundred thousand dollars (\$100,000.00).

In return for this investment, this investor received .55% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

28) On or about April 29, 2011, Marcia Claus invested a total of approximately two hundred seventy thousand dollars (\$270,000.00). In return for this investment, these investors received .675% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

29) On or about April 29, 2011, Larry and Vicki Noffsinger invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, these investors received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

30) On and about June 13, 2011, C. Audra Cooper invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

31) On or about June 25, 2011, Ann Briggs invested a total of approximately one hundred fifty thousand dollars (\$150,000.00).

In return for this investment, this investor received at least .4% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 32) On or about June 30, 2011, Richard Waryn invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) On or about June 30, 2011, Kirk and Jammi Boyer invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) On or about July 7, 2011, James Anders invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .25% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 35) On or about July 7, 2011, Daryl Tucker invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 36) On or about July 7, 2011, Gerald Tuttle invested a total of approximately eighty thousand dollars (\$80,000.00). In return for this investment, this investor received .2% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of

material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 37) On or about July 11, 2011, Marigold Matters, LLC invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 38) On or about July 11, 2011, Jeanne Osborn invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 39) On or about July 22, 2011, DER Trust invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 40) On or about August 12, 2011, Corey Ford invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .275% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 41) On or about September 8, 2011, Patrick Sherratt invested a total of approximately one hundred seventy thousand dollars (\$170,000.00). In return for this investment, this investor received .3% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 42) On or about December 12, 2011, Francisco and Mirna Navas invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 43) On or about December 22, 2011, Scott Ignatius invested a total of approximately twenty five thousand dollars (\$25,000.00). In return for this investment, this investor received .05% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) On or about January 17, 2012, David DeVries, by through Refrigerant Products, invested a total of approximately five hundred thousand dollars (\$500,000.00). In return for this investment, this investor received 1.0% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) On or about January 19, 2012, Adrian Beggs invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 46) On or about January 24, 2012, Frank Strazzabosco invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 47) On or about February 21, 2012, Robert Fleming, invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 48) On or about February 24, 2012, John and Judith Fleming invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 49) On or about March 15, 2012, Richard Graham, by and through Leading Edge, invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .4% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 50) On or about March 23, 2012, Jane Dillon invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 51) On or about April 2, 2012, Keith Nootbaar invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 52) About and between June 28, 2012, and July 2, 2012, James Davis invested a total of approximately ninety nine thousand three hundred eighty

dollars (\$99,380.00). The approximate dates and amounts of Davis' investments are:

- a. On or about June 28, 2012, Davis invested approximately sixty five thousand dollars (\$65,000).
- b. On or about July 2, 2012, Davis invested approximately thirty four thousand three hundred eighty dollars (\$34,380).

In return for this investment, this investor received .154% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

6. In connection with the sale of these securities to these investors, MURPHY engaged in a course of business which operated as a fraud, in part, by accepting investments for Murphy Mining and Exploration, LLC. Murphy failed to use the funds in the represented manner. Murphy also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by MURPHY, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One and Two, each of which are hereby incorporated by reference.

COUNT THREE
(Securities Fraud – F3)

About and between January 30, 2014, and through approximately May 30, 2014, in and triable in the State of Colorado, SHANNON P. MURPHY, in connection with the offer, or sale of any security to John Neilsen, individually, and by and through Diamond Hill Farms/Grain, LLC, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

The offense in Count Three of this Indictment was committed in the following manner:

1. Murphy offered John Neilsen the opportunity to invest in a gold mining operation in Colorado, through Epic Mineral Resources. Murphy indicated that he could begin mineral production in August of 2014, if Nielson would provide the funding for operations and to repair an access road to one of Murphy's gold mines. Nielson decided to accept the offer, and on or about January 30, 2014, Neilsen agreed to invest. Neilsen provided Murphy the sum of one hundred fifty thousand dollars (\$150,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
2. Subsequently, Murphy solicited Neilsen to invest additional funds in EPIC. Nielson agreed and on or about March 10, 2014, Neilsen invested another twenty five thousand dollars (\$25,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
3. Murphy again approached Neilsen for another investment to fund his mining operations associated with EPIC. Neilsen agreed, and on or about March 21, 2014, Neilsen provided Murphy with an additional one hundred fifty thousand dollars (\$150,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
4. John Neilsen was contacted by Murphy again and asked to invest more funds for the mining operation and the mine associated with EPIC. Again, Neilsen agreed, and on or about April 17, 2014, he provided to Murphy another fifty thousand dollars (\$50,000) to be used for mining operations related to EPIC and the May Day Mine.
5. On or about April 18, 2014, upon another solicitation from Murphy, Neilsen invested approximately one hundred seventy five thousand dollars (\$175,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
6. Again, in April of 2014, Murphy asked Neilsen for an additional investment in his mining operations. Neilsen agreed, and on or about April 25, 2014, he provided Murphy with another seventy five thousand dollars (\$75,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
7. Subsequently, Murphy asked Neilsen to provide more funding for the May Day Mine. On or about May 30, 2014, Neilsen invested approximately forty

thousand dollars (\$40,000) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.

8. John Neilsen invested a total of approximately six hundred sixty five thousand dollars (\$665,000.00) to be used by Murphy for mining operations related to Epic Mineral Resources and the May Day Mine.
9. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FOUR
(Securities – Course of Business F3)

About and between May 9, 2012, and through approximately December 19, 2014, in and triable in the State of Colorado, SHANNON P. MURPHY, in connection with the offer or sale of any security to investors in EPIC Mineral Resources, Inc., directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

Facts that support the offenses set forth in Count Four above include, but are not limited to, the following:

1. Beginning in approximately April of 2011, Murphy solicited investors in Epic Mineral Resources, Inc. MURPHY solicited and accepted investments in this company about and between May 9, 2012, and through approximately December 19, 2014.
2. Epic Mineral Resources, Inc. was registered with the Secretary of State on or about December 14, 2011, and was described to investors by Murphy as a company engaging in gold mining operations in Colorado. Murphy solicited and accepted investments in EPIC Mineral Resources, Inc., (EPIC) from about May 9, 2012, and through approximately December 19, 2014.

3. Murphy solicited investors to invest in the fraudulent business activity of EPIC. Murphy created a PPM and other offering documents to show investors prior to their investments, and provided Stock Certificates, signed by Murphy, to evidence their investment. Murphy never told investors of the actual risks associated with the investments.
4. In connection with the fraudulent sale of these securities, Murphy conducted business from 100 W. Bennett Avenue, Cripple Creek, CO, Teller County, Colorado. In furtherance of the commission of this offense, Murphy used, opened and directed several bank accounts in both his name and in the names of his business entities, including: EPIC Mineral Resources, Inc. Murphy would collect the investment checks personally, have investors mail or bring investment checks to his above listed address, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by Murphy.
5. The investments Murphy solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about May 9, 2012, Kristine Chung invested a total of approximately sixty nine thousand five hundred forty three dollars (\$69,543.00). In return for this investment, this investor received shares of EPIC. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) About and between January 30, 2014, and through approximately May 30, 2014, John Neilsen, individually, and by and through Diamond Hill Farms/Grain, LLC, invested a total of approximately six hundred sixty five thousand dollars (\$665,000.00). The approximate dates and amounts of Neilsen's investments are:
 - a. On or about January 30, 2014, Neilsen invested approximately one hundred fifty thousand dollars (\$150,000).
 - b. On or about March 10, 2014, Neilsen invested approximately twenty five thousand dollars (\$25,000).
 - c. On or about March 21, 2014, Neilsen invested approximately one hundred fifty thousand dollars (\$150,000).
 - d. On or about April 18, 2014, Neilsen invested approximately one hundred seventy five thousand dollars (\$175,000).
 - e. On or about April 25, 2014, Neilsen invested approximately seventy five thousand dollars (\$75,000)

- f. On or about May 30, 2014, Neilsen invested approximately forty thousand dollars (\$40,000)

In return for this investment, Murphy acknowledged the investment amounts and agreed to pay the investment amount back with interest, from profits of the mining operations in EPIC. In connection with the sale of the securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 3) About and between December 5, 2014, and through approximately December 19, 2014, Ann Briggs invested a total of approximately twenty five thousand dollars (\$25,000.00). The approximate dates and amounts of Briggs' investments are:
 - a. On or about December 5, 2014, Briggs invested approximately fourteen thousand dollars (\$14,000).
 - b. On or about December 19, 2014, Briggs invested approximately eleven thousand dollars (\$11,000).

In return for her investments, this investor received 62,500 shares of EPIC. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

6. In connection with the sale of these securities to these investors, Murphy engaged in a course of business which operated as a fraud, in part, by accepting investments for EPIC Mineral Resources. Murphy failed to use the funds in the represented manner. Murphy also failed to make the necessary disclosures subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by Murphy, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Three, each of which are hereby incorporated by reference.

COUNT FIVE
(Securities Fraud – Course of Business F3)

During and between July 15, 2009, and December 19, 2014, in and triable in the State of Colorado, SHANNON P. MURPHY, in connection with the offer or sale of any security to investors in Murphy Mining International, LLC; Murphy Mining and Exploration, LLC; EPIC Mineral Resources, Inc. and related entities, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

Facts that support the offenses set forth in Count Five above include, but are not limited to, the following:

1. Beginning in approximately July of 2009, and through approximately December 19, 2014, Murphy directed funds solicited from investors into Murphy Mining International, LLC, Murphy Mining and Exploration, LLC, and Epic Mineral Resources, Inc.
2. In addition to investment funds contributed directly into MURPHY'S business accounts, MURPHY also solicited, accepted, and held investor funds which were deposited directly into his personal bank account. Murphy indicated to those investors that the revenues generated from the mining activity would be sufficient to repay the funds with a significant premium. MURPHY solicited and accepted investments in these companies, and accepted investments individually, beginning on or about July 15, 2009, and continuing through approximately December 19, 2014.
3. Murphy solicited investors to invest in the fraudulent business activity of Murphy Mining International, LLC; Murphy Mining and Exploration, LLC; EPIC Mineral Resources, Inc. and related entities. Murphy provided investors Private Placement Memoranda, subscription agreements, operating agreements, and issued Stock Certificates, signed by Murphy to evidence their investment. Murphy never told investors of the actual risks associated with the investments.
4. In connection with the fraudulent sale of these securities, Murphy conducted his businesses from 100 W. Bennett Avenue, Cripple Creek, CO, Teller County, Colorado. In furtherance of the commission of this offense, Murphy used and

opened several bank accounts in both his name and in the names of his business entities, including Murphy Mining International, LLC; Murphy Mining and Exploration, LLC; EPIC Mineral Resources, Inc. and related entities. Murphy would collect the investment checks personally, have investors mail or bring investment checks to his above listed address, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by Murphy.

5. The investments Murphy solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about August 10, 2009, Ray McCombs invested a total of approximately one hundred thousand dollars (\$100,000) in MMI. In return for this investment, McCombs received .33% membership interest in MMI. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) On or about March 22, 2010, Dennis Carey invested a total of approximately seventy five thousand dollars (\$75,000.00). In return for the investment, this investor received .33% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 3) About and between May 5, 2010, and through approximately November 23, 2010, Robert and Suzanne Sippey invested a total of approximately two hundred fifty five thousand five hundred dollars (\$255,500.00). The approximate dates and amounts of the Sippey's investments are:
 - a. On or about May 5, 2010, the Sippeys invested approximately seventy five thousand dollars (\$75,000).
 - b. On or about September 20, 2010, the Sippeys invested approximately eighty five thousand five hundred dollars (\$85,500).
 - c. On or about November 9, 2010, the Sippeys invested approximately thirty thousand dollars (\$30,000) in two transactions.
 - d. On or about November 23, 2010, the Sippeys invested approximately sixty five thousand dollars (\$65,000).In return for the investments, these investors received 1.0% membership interest in MME. In connection with the sale of these securities to these investors, Murphy made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 4) About and between June 14, 2010, and through approximately October 24, 2012, Richard Cullity, by and through Cullity Family Trust invested a total of approximately fifty nine thousand dollars (\$59,000.00). The approximate dates and amounts of Cullity's investments are:
- a. On or about June 14, 2010, Cullity invested approximately twenty seven thousand dollars (\$27,000).
 - b. On or about July 23, 2010, Cullity invested approximately twelve thousand dollars (\$12,000).
 - c. On or about October 24, 2012, Cullity invested approximately twenty thousand dollars (\$20,000).

In return for the investments, the investor received at least .2% membership interest in MME. In connection with the sale of these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 5) About and between June 28, 2010, and through approximately March 18, 2013, Gary Nelson invested a total of approximately two hundred thirty five thousand six hundred ninety eight dollars (\$235,698.00). The approximate dates and amounts of Nelson's investments are:
- a. On or about June 28, 2010, Nelson invested approximately fifty four thousand dollars (\$54,000).
 - b. On or about August 23, 2010, Nelson invested approximately fifty four thousand dollars (\$54,000).
 - c. On or about February 20, 2013, Nelson invested approximately thirty thousand dollars (\$30,000).
 - d. On or about March 6, 2013, Nelson invested approximately eighty three thousand ninety eight dollars (\$83,098).
 - e. On or about March 18, 2013, Nelson invested approximately fourteen thousand six hundred dollars (\$14,600).

In return for the investments, this investor received at least .2% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

6) On or about October 4, 2010, Cathy Nelson invested a total of approximately forty thousand dollars (\$40,000.00). In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

7) About and between July 15, 2009, and July 27, 2010, Carolyn Joan Colip, by and through the Colip Family Limited Partnership invested a total of approximately seventy thousand dollars (\$70,000.00). The approximate dates and amounts of Colip's investments are:

- a. On or about July 15, 2009, Colip invested approximately twenty five thousand dollars (\$25,000).
- b. On or about July 27, 2010, Colip invested approximately forty five thousand dollars (\$45,000).

In return for the investments, this investor received membership interest in Murphy's mining operations and related entities. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

8) About and between August 3, 2010, and August 10, 2010, Mary Lundgren and Brenda Eastlick invested a total of approximately one hundred eight thousand dollars (\$108,000.00). The approximate dates and amounts of Mary Lundgren and Brenda Eastlick's investments are:

- a. On or about August 3, 2010, Eastlick and Lundgren invested approximately twenty four thousand dollars (\$24,000)
- b. On or about August 4, 2010, Eastlick and Lundgren invested approximately fifty seven thousand dollars (\$57,000)
- c. On or about August 10, 2010, Eastlick and Lundgren invested approximately twenty seven thousand dollars (\$27,000)

In return for the investments, this investor received membership interest in Murphy's mining operations and related entities. In connection with the sale of these securities to these investors, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 9) On or about August 19, 2010, Craig Baumgartner a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, this investor received .14% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) About and between August 23, 2010, and January 20, 2011, Charles Baumgartner, invested a total of approximately ninety thousand dollars (\$90,000.00). The approximate dates and amounts of Charles Baumgartner's investments are:
- a. On or about August 23, 2010, Baumgartner invested approximately sixty thousand dollars (\$60,000).
 - b. On or about January 20, 2011, Baumgartner invested approximately thirty thousand dollars (\$30,000).
- In return for this investment, this investor received .31% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) On or about August 23, 2010, Karen Otto invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) About and between August 25, 2010, and September 3, 2010, Michael and Cheryl Allen invested a total of approximately fifty eight thousand five hundred dollars (\$58,500.00). The approximate dates and amounts of Michael and Cheryl Allen's investments are:
- a. On or about August 25, 2010, the Allens invested approximately thirty thousand dollars (\$30,000).
 - b. On or about September 3, 2010, the Allens invested approximately twenty eight thousand five hundred dollars (\$28,500).
- In return for their investments, these investors received .2% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose

material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 13) On or about August 27, 2010, Joe Regan invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 14) On or about September 1, 2010, David Knize invested a total of approximately sixty one thousand five hundred dollars (\$61,500.00). In return for this investment, this investor received .3% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) On or about September 3, 2010, Robert Strait invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) About and between September 16, 2010, and March 30, 2012, Owen and Patty Hans, invested a total of approximately eighty six thousand one hundred seventeen dollars (\$86,117.00). The approximate dates and amounts of the Hans' investments are:
 - a. On or about September 16, 2010 the Hans invested approximately forty thousand dollars (\$40,000).
 - b. On or about March 30, 2012 the Hans invested approximately forty six thousand one hundred seventeen dollars (\$46,117).In return for their investments, these investors received .209% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 17) About and between September 23, 2010, and October 12, 2010 Anthony Gilland invested approximately seventy one thousand five hundred fifty dollars (\$71,550.00). The approximate dates and amounts of Gilland's investments are:
- a. On or about September 16, 2010, Gilland invested approximately thirty thousand dollars (\$30,000).
 - b. On or about October 12, 2010, Gilland invested approximately forty one thousand five hundred fifty dollars (\$41,550).

In return for his investments, this investor received .24% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 18) About and between October 7, 2010, and April 22, 2011, Patrick Holmes, by and through the Patrick Holmes Trust invested a total of approximately two hundred thirty thousand dollars (\$230,000.00). The approximate dates and amounts of Holmes' investments are:
- a. On or about October 7, 2010, Holmes invested approximately thirty thousand dollars (\$30,000) in MME.
 - b. On or about March 31, 2011, Holmes invested approximately sixty thousand dollars (\$60,000) in MME.
 - c. On or about April 21, 2011, Holmes invested approximately one hundred thousand dollars (\$100,000) in MMI.
 - d. On or about April 22, 2011, Holmes invested approximately forty thousand dollars (\$40,000) in MMI.

In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference

- 19) About and between October 18, 2010 and August 22, 2011, Daniel Dubois invested a total of approximately one hundred fourteen thousand nine hundred eighty dollars (\$114,980.00). The approximate dates and amounts of Dubois' investments are:
- a. On or about October 18, 2010, Dubois invested approximately thirty four thousand nine hundred eighty dollars (\$34,980).
 - b. On or about April 11, 2011, Dubois invested approximately forty thousand dollars (\$40,000).

- c. On or about August 22, 2011, Dubois invested approximately forty thousand dollars (\$40,000).

In return for his investments, this investor received .32% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 20) On or about October 20, 2010, Lynn Traeber invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 21) About and between October 29, 2010, and November 13, 2012, 2013, Kristine Chung invested a total of approximately thirty one thousand dollars (\$31,000.00). The approximate dates and amounts of Chung's investments are:

- a. On or about October 29, 2010, Chung invested approximately ten thousand dollars (\$10,000) in MME.
- b. On or about November 2, 2010, Chung invested approximately fifty one thousand dollars (\$51,000) in MME.
- c. On or about April 5, 2011, Chung invested approximately twenty five thousand dollars (\$25,000) in MME.
- d. On or about April 15 2011, Chung invested approximately five thousand dollars (\$5,000) in MME.
- e. On or about May 17, 2011, Chung invested approximately thirty five thousand dollars (\$35,000) in MMI.
- f. On or about June 9, 2011, Chung invested approximately thirty thousand dollars (\$30,000) in MMI.
- g. On or about August 9, 2011, Chung invested approximately twenty thousand dollars (\$20,000) in MMI.
- h. On or about September 27, 2011, Chung invested approximately fifteen thousand dollars (\$15,000) in MMI.
- i. On or about May 9, 2012, Kristine Chung invested a total of approximately sixty nine thousand five hundred forty three dollars (\$69,543.00) in EPIC.
- j. On or about November 13, 2012, Chung invested approximately twenty five thousand dollars (\$25,000) in MME.

In return for her investments, this investor received membership interest in Murphy's mining operations and related entities. In connection with the sale of

these securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 22) On or about November 4, 2010, Carolyn Shotwell invested a total of approximately thirty thousand dollars (\$30,000.00). In return for the investments, this investor received .1% membership interest in MURPHY'S mining operations and related entities. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) On or about November 12, 2010, Frederick Spiegelberg, by and through High Klippe, LLC invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In return for this investment, this investor received .525% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 24) About and between December 3, 2010, and December 14, 2010, Jeffrey Bright invested a total of approximately thirty thousand dollars (\$30,000.00). The approximate dates and amounts of Bright's investments are:
- a. On or about December 3, 2010, Bright invested approximately five thousand dollars (\$5,000).
 - b. On or about December 14, 2010, Bright invested approximately twenty five thousand dollars (\$25,000).
- In return for his investments, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 25) On or about December 10, 2010, John Foss invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

26) On or about December 14, 2010, Brian Hall invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .35% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

27) About and between February 25, 2011, and March 29, 2011, Tim Leigh, by and through Tim & Rhea Investments, invested a total of approximately seventy five thousand dollars (\$75,000.00). The approximate dates and amounts of Leigh's investments are:

- a. On or about February 25, 2011, Leigh invested approximately fifteen thousand dollars (\$15,000).
- b. On or about March 29, 2011, Leigh invested approximately sixty thousand dollars (\$60,000).

In return for the investments, these investors received .63% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

28) On or about March 30, 2011, William Garrison invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

29) About and between April 8, 2011, and December 28, 2011, Robert Thompson invested a total of approximately three hundred thousand dollars (\$300,000.00). The approximate dates and amounts of Thompson's investments are:

- a. On or about April 8, 2011, Thompson invested approximately one hundred thousand dollars (\$100,000.00) in MME.
- b. On or about August 25, 2011, Thompson invested approximately one hundred thousand dollars (\$100,000.00) in MME.
- c. On or about December 28, 2011, Thompson invested approximately one hundred thousand dollars (\$100,000.00) in MMI.

In return for his investments, this investor received membership interest Murphy's mining operations and related entities. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material

fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

30) About and between April 20, 2011, and April 29, 2011 Marcia Claus invested a total of approximately three hundred twenty thousand dollars (\$320,000.00). The approximate dates and amounts of Claus's investments are:

a. On or about April 20, 2011, Claus invested approximately fifty thousand dollars (\$50,000.00) in MMI.

b. On or about April 29, 2011, Claus invested approximately two hundred seventy thousand dollars (\$270,000.00) in MME.

In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

31) On or about April 29, 2011, Larry and Vicki Noffsinger invested a total of approximately forty thousand dollars (\$40,000.00). In return for this investment, these investors received .1% membership interest in MME. In connection with the sale of this security to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

32) About and between May 5, 2011, and September 8, 2011, Patrick Sherratt invested a total of approximately two hundred thirty thousand dollars (\$230,000.00). The approximate dates and amounts of Patrick Sherratt's investments are:

a. On or about May 5, 2011, Sherratt invested approximately sixty thousand dollars (\$60,000.00).

b. On or about September 8, 2011, Sherratt invested approximately one hundred seventy thousand dollars (\$170,000.00) in MME.

In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

33) On and about June 13, 2011, C. Audra Cooper invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of

these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 34) About and between June 25, 2011, and December 19, 2014, Ann Briggs invested a total of approximately one hundred seventy five thousand dollars (\$175,000.00). The approximate dates and amounts of Ann Briggs' investments are:
- a. On or about June 25, 2011, Briggs invested approximately one hundred fifty thousand dollars (\$150,000.00) in MME.
 - b. On or about December 5, 2014, Briggs invested approximately fourteen thousand dollars (\$14,000.00) in EPIC.
 - c. On or about December 19, 2014, Briggs invested approximately eleven thousand dollars (\$11,000.00) in EPIC.

In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 35) On or about June 30, 2011, Kirk and Jammi Boyer invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 36) On or about June 30, 2011, Richard Waryn invested a total of approximately one hundred thousand dollars (\$100,000.00) in MME. In return for this investment, this investor received membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 37) On or about July 7, 2011, James Anders invested a total of approximately one hundred thousand dollars (\$100,000.00) in MME. In return for this investment, this investor received .25% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of

material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 38) On or about July 7, 2011, Daryl Tucker invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 39) On or about July 7, 2011, Gerald Tuttle invested a total of approximately eighty thousand dollars (\$80,000.00) in MME. In return for this investment, this investor received .2% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 40) On or about July 11, 2011, Marigold Matters, LLC invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 41) On or about July 11, 2011, Jeanne Osborn invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 42) On or about July 22, 2011, DER Trust invested a total of approximately forty thousand dollars (\$40,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 43) On or about August 12, 2011, Corey Ford invested a total of approximately one hundred thousand dollars (\$100,000.00) in MME. In return for this investment, this investor received .275% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) On or about December 12, 2011, Francisco and Mirna Navas invested a total of approximately fifty thousand dollars (\$50,000.00) in MME. In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) On or about December 22, 2011, Scott Ignatius invested a total of approximately fifty thousand dollars (\$50,000.00). The approximate dates and amounts of Scott Ignatius' investments are:
- a. On or about December 22, 2011, Ignatius invested approximately twenty five thousand dollars (\$25,000.00) in MMI.
 - b. On or about December 22, 2011, Ignatius invested approximately twenty five thousand dollars (\$25,000.00) in MME.
- In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 46) On or about January 17, 2012, David DeVries, by through Refrigerant Products, invested a total of approximately five hundred thousand dollars (\$500,000.00). In return for this investment, this investor received 1.0% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 47) On or about January 19, 2012, Adrian Beggs invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and

failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

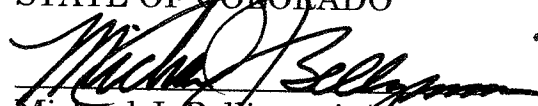
- 48) On or about January 24, 2012, Frank Strazzabosco invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 49) On or about February 21, 2012, Robert Fleming, invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 50) On or about February 24, 2012, John and Judith Fleming invested a total of approximately thirty thousand dollars (\$30,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 51) On or about March 15, 2012, Richard Graham, by and through Leading Edge, invested a total of approximately one hundred thousand dollars (\$100,000.00). In return for this investment, this investor received .4% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 52) On or about March 23, 2012, Jane Dillon invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of this security to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 53) On or about April 2, 2012, Keith Nootbaar invested a total of approximately fifty thousand dollars (\$50,000.00). In return for this investment, this investor received .1% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 54) About and between June 28, 2012, and July 2, 2012, James Davis invested a total of approximately ninety nine thousand three hundred eighty dollars (\$99,380.00). The approximate dates and amounts of Davis' investments are:
- a. On or about June 28, 2012, Davis invested approximately sixty five thousand dollars (\$65,000).
 - b. On or about July 2, 2012, Davis invested approximately thirty four thousand three hundred eighty dollars (\$34,380).
- In return for this investment, this investor received .154% membership interest in MME. In connection with the sale of these securities to this investor, MURPHY made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 55) About and between January 30, 2014, and through approximately June 18, 2014, John Neilsen, individually, and by and through Diamond Hill Farms/Grain, LLC, invested a total of approximately six hundred seventy five thousand dollars (\$675,000.00). The approximate dates and amounts of Neilsen's investments are:
- a. On or about January 30, 2014, Neilsen invested approximately one hundred fifty thousand dollars (\$150,000).
 - b. On or about March 10, 2014, Neilsen invested approximately twenty five thousand dollars (\$25,000).
 - c. On or about March 21, 2014, Neilsen invested approximately one hundred fifty thousand dollars (\$150,000).
 - d. On or about April 17, 2014, Neilsen invested approximately fifty thousand dollars (\$50,000).
 - e. On or about April 18, 2014, Neilsen invested approximately one hundred seventy five thousand dollars (\$175,000).
 - f. On or about April 25, 2014, Neilsen invested approximately seventy five thousand dollars (\$75,000).
 - g. On or about May 30, 2014, Neilsen invested approximately forty thousand dollars (\$40,000).
 - h. On or about June 18, 2014, Neilsen invested approximately ten thousand dollars (\$10,000).

In return for the investments, this investor received membership interest in MURPHY'S mining operations and related entities. In connection with the sale of the securities to this investor, Murphy made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

6. In connection with the sale of these securities to these investors, MURPHY engaged in a course of business which operated as a fraud, in part, by accepting investments for the businesses of Murphy Mining International, LLC, Murphy Mining International, LLC, Epic Mineral Resources, Inc. both individually and by and through the related entities. MURPHY failed to use the funds in the represented manner. MURPHY also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by MURPHY, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Five, each of which are hereby incorporated by reference.

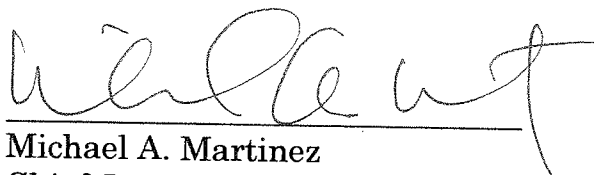
CYNTHIA H. COFFMAN
ATTORNEY GENERAL
STATE OF COLORADO



Michael J. Bellipanni #24421
Assistant Attorney General
Criminal Justice Section

The 2017-2018 Colorado Statewide Grand Jury presents the within Indictment, and the same is hereby ORDERED FILED this 11th day of January, 2018.

Pursuant to § 13-73-107, C.R.S., the Court designates Teller County, Colorado as the county of venue for the purposes of trial.



Michael A. Martinez
Chief Judge, Denver District Court