

2533 N. Carson Street, Box T-305, Carson City, Nevada 89706
Bus. (775) 884-4368, fax (775) 884-4939



Fax

To: To: [REDACTED] **From:** Bob Jennings

Fax: [REDACTED] **Pages:** 10 including this page

Phone: [REDACTED] **Date:** 9/28/2004

Re: [REDACTED] **CC:** [REDACTED]

Urgent For Review Please Comment Please Reply Please Recycle

• **Comments:**

Dear [REDACTED]

Here is the information regarding the coal project and loan. Attached is the lender proposal agreement & signature page, promissory note, project evaluation for Pine Creek, data base information sheets (for paying you prin. & int.) and the wire coordinates. On the data base information sheets if you prefer receiving your payment by mail then we won't need your banking information. Simply fill-in where you want payment to be received, SSN# or EIN# for end of year tax purposes (line #18), loan amount on (line #22), expected return on (line #23) which would be different than on promissory note, which Tri Energy, Inc. backs. As stated, we believe you will be paid out within 30 days from the concluding overseas transaction, so show 3x as expected return and principal combined.

You may reach me at [REDACTED] or fax at [REDACTED].

Thanks for your review & interest.

Tri Energy, Inc.

From: Mr. Art Simburg, Sr. V.P. Corp. Public Relations

1 September 2004

To: Prospective Lender

Mr. Simburg's Bus. #: [REDACTED]; Fax: [REDACTED]

Dear Prospective Lender,

I am forwarding this letter/agreement for prospective lenders interested in a timely opportunity related to our coal venture.

On January 16, 2003 we closed on a coal-mine acquisition in Dean, Kentucky, near Kite, in (Letcher county). The acquisition included, coal leases, permits, property bond, a 36'x 4,000 ft. conveyor belt system with spare parts and an office trailer. The property consists of 500-600 acres and has approximately 6-8 million tons of recoverable reserves. The coal is the best in the region. The coal specifications are above 14,000 Btu per pound, the sulfur is very low at 0.6% per pound on average, ash 4%, and moisture 7%. The coal is well below 2000 US Clean Air Act compliance standards. We are extremely fortunate to have mining equipment on the property. Over the last few months clean up at the mine has taken place, and preparation for coal mining is underway. We have mined to date approximately 5,000 tons of coal. The coal is presently stockpiled prepared to ship. Weather proofing the road to the mine has been accomplished for shipping. We are negotiating a per ton price with prospective buyers. The projected monthly tonnage to be mined will start at 20,000 tons in October 2004 and grow to over 100,000 tons. In addition, we have several sources interested in purchasing our coal. There are three sources needing this quality coal in the region: (1. Integrity Coal Sales – a New York company (tonnage 80,000+ tons per month); (2. Coal Carbon – an Alabama company (tonnage 50,000+ tons per month); and (3. Eastman Chemical (Kodak), Virginia (tonnage 60,000+ tons per month).

Secondly, on February 19, 2003, another coal-mine acquisition occurred. Ben Hollow Mining has become a part of our acquisition holdings. The property is in Mayking, (Letcher county), Kentucky, situated on more than 500 acres. The acreage permitted for coal mining is 254, and the coal reserves are approximately 17 million tons. The coal quality is similar to the quality of the Dean coal property. The coal meets compliance standards for the Clean Air Act. Our company has been approached to provide anticipated mined tonnage to several companies needing coal supplies. Coal orders are month to month until price maximization. The initial buyer would prefer to purchase all the coal we have mined. Currently there is 6,000 tons of coal stockpiled at this site. We are permitting additional property to commence mining. The price per ton is \$50.00.

In November 2003, we acquired a third coal lease from the Verizon land owners close to the Dean, Kentucky mine mentioned earlier. After bringing the property up to state and federal code we have started mining operations. Currently, we have mined approximately 20,000 thousand tons which have been stockpiled. The buyer is establishing a rail connection to commence coal shipments. In a few months production will exceed 75,000 tons per month.



On February 5, 2004 TEI signed a contract mining agreement with Hardshell Tipples, Inc.. The agreement gives TEI the right to mine the coal reserves of Pine Creek underground mine. The permit area is 450 acres of underground coal reserves. The type of coal is the Elkhorn #3 coal seam. The mine is located ¼ of a mile from the Ben Hollow site near Mayking, Kentucky. The coal has metallurgical characteristics, which makes it an excellent product for making (coke), which in turn is used to make pig-iron to make steel. A major national steel company wants to buy all the coal that we can produce up to 100,000 tons per month. There are 4,000,000 tons of recoverable coal reserves at this site. The coal from this site would be shipped by truck and carried to a washing facility and rail siding 22 miles away. The Pine Creek mine currently has its own conveyor belt system, fan, and other mining equipment. We have purchased a continuous-miner to mine the coal. The majority of equipment is in place and cutting air passage ways in the mine has commenced as of mid May. We will be able to produce 17,000 tons of coal within 60-120 days, and the fifth month 40,000 tons. We currently have 3,000 tons stockpiled prepared to be shipped to a washing facility. A second continuous miner will allow us to produce 80,000 tons of coal per month. We now have the second continuous miner on site. A transformer needs acquiring before the second miner can be used. The combined gross profit for October & November will reach \$2.81 million dollars. The net before taxes is \$790,000.00 USD.

Our goal is to acquire several other coal properties and become one of the largest coal producers in the eastern/southeastern United States. We have one mining engineer, and a professional engineer which launches us into the mining operations of the business. We have several other opportunities to take over compliance coal properties in the states of Virginia, Alabama, Kentucky, and Arkansas. Each coal property source would be key in building our production output to supply coal orders.

We are providing an opportunity to a few friends and their respective friends to place loans on or prior to October 1, 2004. Those who place loans to the company will receive their principal and a return of 100% in 60 days for the monies loaned. The minimum loan range is \$5,000. The company will be in the position to carry out this return commitment due to the net profit projections stated above, and finalizing an international transaction.

Tri Energy, Inc. (TEI) has a present loan need of up to \$100,000 to handle general administrative costs and needs, business & travel expenses occurring now through October 1, 2004. Some of the corporate expenses which will equal \$100,000.00, are various accessory equipment, operational, and administrative working capital.

TEI will pay a 100% return in 60 days for monies loaned. If a loan is made for \$50,000, for example, the full return, which includes the principal, will amount to \$100,000. The principal as stated will be returned in 60 days.

This letter binds TEI to described conditions of loan details outlined in this letter/agreement. TEI also is bound to said agreement to perform at the percentage described herein. This agreement carries the full consent of a quorum of the Board of Directors. The duration of this opportunity is until October 1, 2004, or until TEI sees no further need to raise operating capital. An executed faxed copy carries the full authority of an original copy of this agreement.

 _____

Signature Page

Tri Energy, Inc.
(Loan Agreement)

Witnessed hereto by the undersigned on 1st day of OCTOBER 2004.

Robert Jennings
President, TEI



[Redacted]
Lender Signature

[Redacted]
Lender Print Name

[Redacted]
Lender's Address

\$ 15,000.00
Loan Amount

[Redacted]
Lender's City, State, Zip code

\$ 30,000.00
Loan Return Amount

[Redacted]
Lender's Telephone No.

[Redacted]
Lender's Immediate Beneficiary

[Handwritten mark]

Promissory Note

For \$ 15,000 USD principal loan

FOR VALUE RECEIVED, on demand, by DECEMBER 1, 2004, Tri Energy, Inc.,

(TEI) a Nevada Corporation, promises/agrees to pay _____,

on request, the principal sum of FIFTEEN THOUSAND U.S. Dollars,

(\$ 15,000.00). The principal and interest amount of 100% return will be paid

in sixty days. The total repayment amount (prin. & int.) will equal

THIRTY THOUSAND U.S. Dollars, (\$ 30,000.00).

This is a business loan and Tri Energy, Inc. agrees to repay the above amount in the event Marina Investors Group's project (which is due to pay a 200% return on loan totaling \$ 45,000 principal and interest on lender's loan amount) has not funded prior to the date stated above.

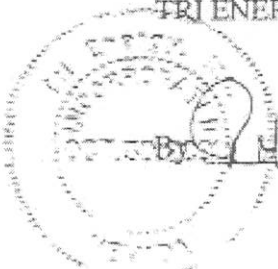
This Promissory Note is made based on:

Our company having acquired from prior loans: (1. Coal leases, permits, reclamation bond and 36" x 4,000 foot conveyor system in Dean, Kentucky. We have stockpiled 4,000 tons of coal; (2. Coal leases, permits, reclamation bond and various heavy equipment from Ben Hollow Mining, Mayking, Kentucky. We have 6,000 tons stockpiled; (3. Our Verizon property site has 28,000 tons stockpiled awaiting rail cars for shipping; (4. A vital coal mining contract with Hardshell Tipple (Pine Creek) underground mine to produce metallurgical coal in which shipping has started July 28th.

This agreement is made and entered into between the parties hereto dated this FIRST day of OCTOBER 2004. Execution by an officer of this corporation indicates full approval and consent of a quorum of the Board of Directors and fully binds the corporation to this obligation. A signed fax copy carries the full weight and authority as an original copy.

TRI ENERGY, INC.

LENDER



[Signature]
President

By: [Redacted Signature]

Tri Energy, Inc.
9622 NC Road
Norton, Virginia 24273
March 2004

PROJECT EVALUATION

Project Name: Tri Energy, Inc.-Hardshell Tipple Site
"Pine Creek"-Underground Mine No. 1

Location: 1.6 Miles East-Southeast of Mayking, Kentucky on Pine Creek

County: Letcher, Kentucky

Permit Number: KY 867-5188

Permit Size: Face-up 10.2 acres
Underground 450 acres

Project Description

Tri Energy Inc. is currently leasing an underground mine, permitted as Hardshell Tipples, Inc., with an active permit no. of 867-5188. This site is approximately ¼ mile from the "Ben Hollow-Mine No. 1", and is also in the Elkhorn No. 3 coal seam. The analysis of the coal is the same as "Ben Hollow-Mine No. 1".

The permit area contains a face-up area and approximately 450 acres of underground mining area. This site has been previously mined and still contains conveyors to transport coal to the outside and a fan for ventilation. Clean-up work on the underground portion of the mine site is already underway.

Project Evaluation

This mine site was highly sought out after by several mining companies prior to Tri Energy, Inc. negotiating the lease. The Elkhorn No. 3 coal seam is a highly sought after product. Since the mine site has an active permit, it will provide quick production, unlike other sites. This site is valuable to Tri Energy, Inc. because the permitted deep mine area adjoins the permitted area of the "Ben Hollow-Mine No. 1". Approximately 4,000,000 tons of recoverable coal is in place at this site. The evaluation of this mine site is as follows:

Possessing an active permit	\$40,000
Access road & sediment control constructed	20,000
Underground mining=4,000,000@ 1.50/ton	<u>6,000,000</u>
Present Value	\$6,060,000

Should you require any additional information, please do not hesitate to call.


Director of Engineering

Promissory Note

For \$ 200,000.00 USD principal loan

FOR VALUE RECEIVED, on demand, by 13 NOVEMBER 2004, Tri Energy, Inc.,

(TEI) a Nevada Corporation, promises/agrees to pay [REDACTED]

on request, the principal sum of Two Hundred Thousand U.S. Dollars,

(\$ 200,000.00). The principal and interest amount of 100% return will be paid

in sixty days. The total repayment amount (prin. & int.) will equal

Four Hundred Thousand U.S. Dollars, (\$ 400,000.00).

This is a business loan and Tri Energy, Inc. agrees to repay the above amount in the event Marina Investors Group's project (which is due to pay a 200% return on loan totaling \$ 600,000.00 principal and interest on lender's loan amount) has not funded prior to the date stated above.

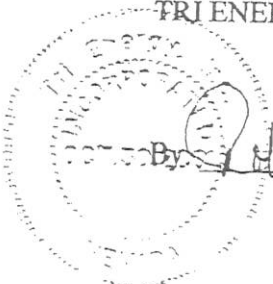
This Promissory Note is made based on:

Our company having acquired from prior loans: (1. Coal leases, permits, reclamation bond and 36" x 4,000 foot conveyor system in Dean, Kentucky. We have stockpiled 4,000 tons of coal; (2. Coal leases, permits, reclamation bond and various heavy equipment from Ben Hollow Mining, Mayking, Kentucky. We have 6,000 tons stockpiled; (3. Our Verizon property site has 28,000 tons stockpiled awaiting rail cars for shipping; (4. A vital coal mining contract with Hardshell Tipple (Pine Creek) underground mine to produce metallurgical coal in which shipping has started July 28th.

This agreement is made and entered into between the parties hereto dated this 14th day of SEPTEMBER 2004. Execution by an officer of this corporation indicates full approval and consent of a quorum of the Board of Directors and fully binds the corporation to this obligation. A signed fax copy carries the full weight and authority as an original copy.

TRI ENERGY, INC.

LENDER



By: [Signature]

President

By: [REDACTED]

Signature Page

Tri Energy, Inc.
(Loan Agreement)

Witnessed hereto by the undersigned on 14th day of SEPTEMBER 2004.

Robert Jennings
President, TEI



[Redacted]
Lender Signature

[Redacted]
Lender Print Name

[Redacted]
Lender's Address

[Redacted]
Lender's City, State, Zip code

[Redacted]
Lender's Telephone No.

[Redacted]
Lender's Immediate Beneficiary

\$200,000.00
Loan Amount

\$400,000.00
Loan Return Amount

[Handwritten mark]

Tri Energy, Inc.

September 27, 2004

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

This is to acknowledge your loan of \$85,000.00 in Tri Energy, Inc. received by us in three payments on September 24th, and 27th 2004. It is our understanding that these funds come to us as your own individual retirement account (I.R.A.) money, rolled over from your IRA account with Charles Schwab & Company, Inc. by way of a wire transfer through (CitiBank, New York, N.Y.). At your instruction we will treat it as a self-directed IRA in the name of [REDACTED].

Cordially Yours,


Robert Jennings,
President

Tri Energy, Inc.

Loan Agreement

THIS AGREEMENT, entered this 2nd day of December 2004, by and between [REDACTED] hereinafter referred to as ("Lender"), the (Lender), whose address is [REDACTED] and **Tri Energy, Inc.**, hereinafter referred to as ("TEI"), (Loan Recipient) whose corporate address is 2533 North Carson Street, Box T305, Carson City, Nevada 89706.

WHEREAS, "TEI" is only obligated under this agreement to pay principal and interest in the event that the loan and interest is not paid from the San Felipe, Mexico land transaction. In the event that the San Felipe land transaction pays out in 30-35 days, the agreement between [REDACTED] and "TEI" becomes null and void.

WHEREAS, [REDACTED] and "TEI" have agreed that for the loan amount of Two Hundred Fifty Thousand USD (\$250,000.00), "TEI" will pay to "Lender" the principal in 30-35 days from loan origination date.

WHEREAS, "TEI" will pay 35% interest on loan principal, that equals, Eighty Seven Thousand Five Hundred USD, (\$87,500.00). The combined principal and interest payment forwarded in 30-35 days equals Three Hundred Thirty Seven Thousand Five Hundred (\$337,500.00).

WHEREAS, "TEI" will collateralize the lender's principal with corporate stock issued to [REDACTED], certified by the secretary of the corporation as follows: The value of the 3 coal leases, reserves etc., equates to **\$22,746,600.00**. The project evaluations provide the values which will be forwarded upon request. Our authorized corporate shares equal 75,000. The stock value per share is \$303.29. The loan of \$250,000.00 placed with our company will provide the issuance of a certified stock certificate for 824.29 shares upon [REDACTED] transfer of funds. The secretary of the corporation will certify that the stock issued is in fact shares of "TEI".

WHEREAS, Upon payment of principal and interest in the amount of \$325,000.00, by either the land transaction or TEI, the stock certificate issued will be endorsed on certificate's reverse side by principal holder and returned to "TEI".

NOW, THEREFORE, WITNESSETH, that for and in consideration of the foregoing and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

1. Upon lender's transfer of the loan amount of Two Hundred Fifty Thousand USD (\$250,000.00), TEI will issue, to lender as collateral, its own certified corporate stock in the amount of 824.29 shares.

2. On or before January 2, 2004 "TEI" shall cause to be delivered to "██████" the principal and interest payment of \$337,500.00 USD, in the event the San Felipe land transaction doesn't pay-out the expected principal and interest amount. "██████" will communicate with "TEI" as to how payment is to be received, i.e.; by bank wire, express mail or other. Upon payment of loan and principal, lender will endorse the reverse side of the stock certificate and will return via mail to the mailing address of TEI.
3. In order for this agreement to be valid, wire transfer of funds needs to be made in 24 hours, after the signed execution of this agreement. **If agreement is acceptable, please fax signed agreement to (951) 943-5068.**
4. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.
5. This Agreement may not be amended, extended or altered except by written instrument signed by the parties hereto.
6. This Agreement has been executed in multiple counterparts and each copy thereof should for all purposes be treated as an original and shall be binding upon the parties hereto and their respective heirs, successors, and assigns. This agreement carries the full consent of a quorum of the Board of Directors. A signed faxed copy carries the same authority as an original of this agreement.

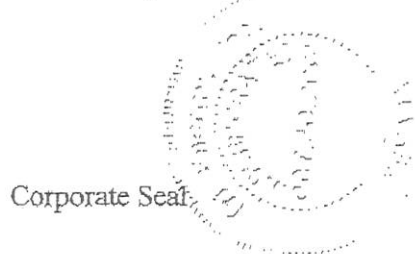
WITNESSETH the execution hereof this 2nd day of ~~Nov~~^{es}ember 2004

██

By: ██
Makram Samaan, President

Tri Energy, Inc.

By: Robert Jennings
Robert Jennings, President



Certification of Stock Certificate

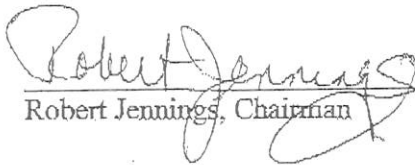
The undersigned secretary of Tri Energy, Inc. hereby certifies that certificate # 39 is of Tri Energy, Inc. authorized stock, issued to _____.

The issued shares in the amount of 824.29, have been authorized and approved by a quorum of the Board of Directors.


Certified this 2nd day of December 2004

WITNESSETH

Authorized Signature


Robert Jennings, Chairman


Thomas T. Avery, Corporate Secretary


Corporate Seal

