



**Northwest
Geophysical
Associates, Inc.**

1600 SW Western Boulevard, Suite 200
PO Box 1063, Corvallis, OR 97339-1063
Phone: (541) 757-7231 FAX: (541) 757-7331
www.nga.com

January 20, 2010

Jeff Witter
Sierra Geothermal Power Corp
500-666 Burrard Street
Vancouver, BC, Canada V6C 3P6

***Re: Proposal for Additional
Gravity and Magnetic Modeling
Alum Geothermal Prospect
Esmeralda County, Nevada***

Dear Dr. Witter,

Northwest Geophysical Associates, Inc. (NGA) offers this proposal to provide additional modeling of gravity and magnetic data over the Alum Geothermal prospect in Esmeralda County, Nevada. This is a continuation of our work, conveyed to you in a letter report dated January 13, 2010.

This work is a follow-up to our previous modeling. For the previous program, NGA modeled profiles G-Gp, I-Ip, J-Jp, K-Kp, and B-Bp shown on the attached Figure 1. The proposed work would include additional profiles H-Hp, L-Lp, and C-Cp, also shown on Figure 1. We also propose constructing a 3D model over the Alum prospect which would be based on those profiles, and provide an interpretation of the depth to the Weepah Detachment across the prospect.

NGA will amend the previous letter report to include the additional profiles. It will also include the 3D interpretation (an elevation grid of the Weepah detachment), in a format acceptable to Sierra Geothermal Power, and the Geosoft data files.

COST PROPOSAL

We estimate a cost of \$7,720 for this additional work. Those costs break down as follows:

Cost Estimate
Alum Grav/Mag Modeling
Sierra Geothermal Power Corp
20-Jan-2010

	Hours	Rate	Total
Sr. Geophysicist			
Profile H-Hp	10	\$ 120	\$ 1,200
Profile L-Lp	10	\$ 120	\$ 1,200
Profile C-Cp	16	\$ 120	\$ 1,920
3-D Model	20	\$ 120	\$ 2,400
Formatting/Presentation/Report			
Sr. Geophysicist	4	\$ 120	\$ 480
Geophysical Technician	8	\$ 65	\$ 520
			<hr/> <hr/> \$ 7,720

All costs are \$US. Actual hourly costs will be invoiced in accordance with the attached rate sheet. NGA charges will not exceed \$8,000 and we expect to provide 3 profiles and 3D model within that budget.

We look forward to continuing work on this project. Please contact us at your convenience should you have questions or need additional information.

Sincerely,

Northwest Geophysical Associates, Inc.



Rowland B. French, R.G., Ph.D.
President

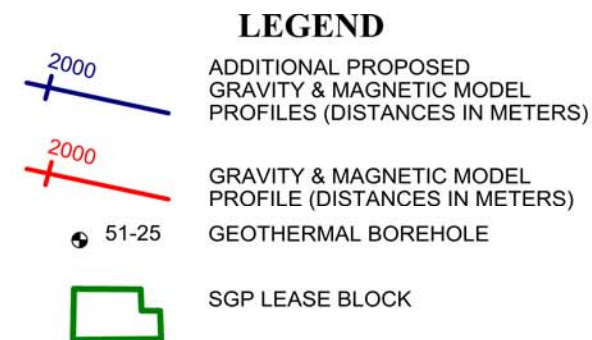
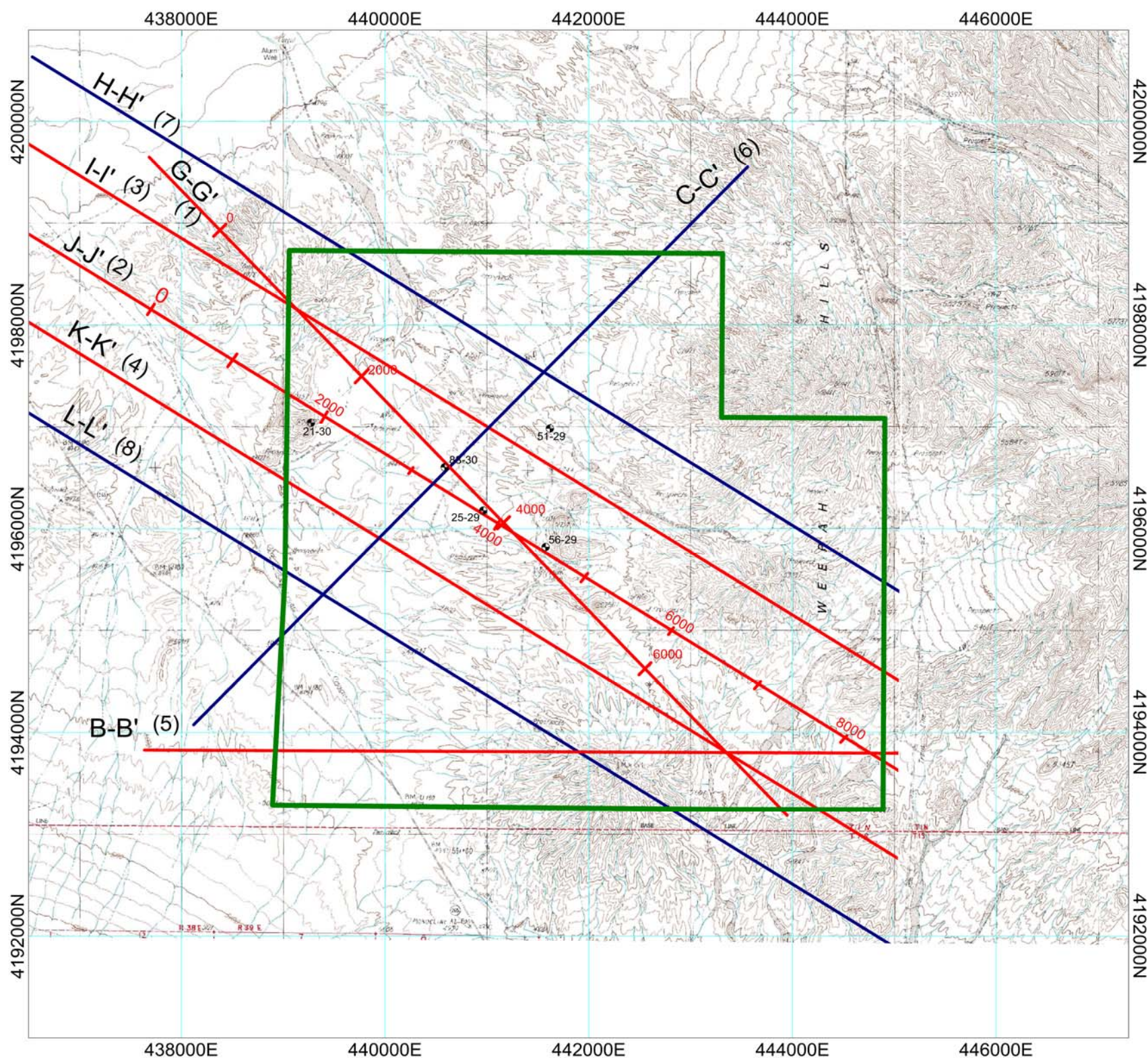


FIGURE 1

PROPOSED ADDITIONAL PROFILES

Gravity & Magnetic Modeling
Alum Geothermal Prospect
Esmeralda County, Nevada

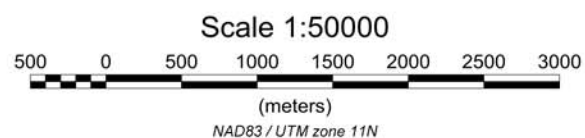
Prepared By:



**Northwest
Geophysical
Associates, Inc.**

Prepared For:

Sierra Geothermal Power Corp





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STANDARD RATE SCHEDULE

Geotechnical, Groundwater, and Environmental Geophysics

January 2010

PROFESSIONAL SERVICES:

	<u>Regular</u>	<u>HazWaste</u>
Senior Geophysicist	\$120/hr.	\$135/hr.
Senior Review Geophysicist	\$120/hr.	
Project Geophysicist	\$100/hr.	\$115/hr.
Geophysicist	\$ 85/hr.	\$105/hr.
Geophysical Technician	\$ 65/hr.	\$ 85/hr.
Laborer	\$ 40/hr.	
Clerical	\$ 40/hr.	
Drafting	\$ 65/hr.	

Overtime, up to 60 hours per week, for professional and technical staff will be charged at straight time rates. Time beyond 60 hours per week will be charged at time-and-a-half.

HazWaste rates apply for field work in which field personnel are required to conform with the requirements of 29 CFR 1910.120 for operations on hazardous waste sites. Those requirements include 40 hours of safety training, 8 hours of annual refresher training, and participation in the NGA medical surveillance program.

(Equipment Rates on reverse)

GEOPHYSICAL EQUIPMENT:

Buried Object Geophysical Toolbox

Buried Object Toolbox	\$600/day
Includes (as required):	
G858G Magnetometer	
Geonics EM-31 and/or EM61 Mk2a	
GPR, RD4000, TW6	
Field computer and software	

Electrical and Electromagnetic Equipment:

Geonics EM31	\$200/day
Geonics EM61 MK2a	\$250/day
Geonics EM34-3	\$250/day
Resistivity meter MiniSting	\$ 70/day
SIR-2000 ground penetrating radar system	\$250/day
SIR-3000 ground penetrating radar system	\$250/day
Self-Potential system	\$ 50/day
Radiodetection RD4000	\$ 40/day
TW-6 Line Tracer	\$ 20/day

Magnetic Equipment:

G858G Cesium Magnetometer w/ gradiometer	\$200/day
G856 Magnetometer (base station)	\$ 50/day

Seismic Equipment:

Seismic 24-channel Geode system	\$300/day
Refraction cables and accessories	\$100/day
Downhole Seismic system	\$150/day
includes shear wave source, and triaxial borehole geophone	
PEG-40kg Seismic Source	\$ 80/day
Explosives handling accessories	\$ 40/day
Function Generator	\$ 40/day

Seismic explosives, caps, and shells will be charged at cost plus 10%.

Miscellaneous Field Equipment:

Trimble AG132 DGPS system	\$100/day
Trimble Pro XRS GPS	\$100/day
LaserCraft Laser Ranger	\$ 20/day
Computer charge	\$100/day
Field equipment charge	\$ 50/day

Covers safety equipment, tools, field books, flagging, etc. Field Equipment Charge billed only when rental equipment is used.

This charge is otherwise included in the listed geophysical equipment rates.

Other leased geophysical equipment and shipping charges will be charged at cost plus 10%.

VEHICLES:

NGA or Private Vehicle: current Federal rate
\$ 0.55/mi. as of
1/1/2009

Leased vehicles will be charged at cost plus 10%

MISCELLANEOUS POLICIES:

Equipment in Transit:

Daily rate will be charged for each day the instrument is at the field site ready to be used, regardless of actual use. Instrument time in transit to and from the job site, in excess of two days, will be charged at one half the daily field rate.

Weekly rate is 5 times the daily rate.

Other direct project expenses will be charged at cost plus 10%.

Terms are net 30 days.