KAY SCHERER Interim Director

JASON KING, P.E. State Engineer



DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES **DIVISION OF WATER RESOURCES**

901 South Stewart Street, Suite 2002 Carson City, Nevada 89701-5250 (775) 684-2800 • Fax (775) 684-2811 http://water.nv.gov

November 16, 2016

MM-212

Patrick Highsmith Esmeralda Minerals, LLC 100 West Liberty Street, 10th floor Reno, Nevada 89501

Request for a waiver to drill one (1) well (Well CV-7) to explore for minerals within RE: the Clayton Valley Hydrographic Basin (143), Esmeralda County, Nevada. Well Location: Universal Transverse Mercator (UTM) meters (m), North American Datum 1983 (NAD 83). 143 S02 E40 32Bd (se¹/₄ NW¹/₄); UTM (m) E: 450,055, N: 4,175,143.

Esmeralda Assessor Parcel Number: 006-281-02.

Dear Mr. Highsmith,

As provided in NAC 534.442, permission is herewith granted to drill a well and to use water from the well to explore for minerals. This waiver expires November 15, 2017.

The proposed well construction is approved as per submittal.

Water use must be measured with records kept and filed in this office, no later than thirty (30) days following the expiration of this waiver or upon project completion whichever occurs first. The amount of water that will be used must not exceed five (5) acre-feet per project.

Unless prior arrangements of continued use have been made in writing with this office, the well shall be plugged in accordance to Nevada Administrative Code (NAC) 534.420, no later than thirty (30) days after the expiration of this waiver or upon project completion, whichever occurs first.

This waiver does not grant or infer any rights of ingress or egress, nor any appropriation of water and shall not be deemed to result in the development of any equity.

Page 2 MM-212 November 16, 2016 Esmeralda Minerals, LLC.

It is expressly understood that this waiver does not relieve the operator of the permitting requirements of any other state, local or federal agency, or private property.

Please reference Waiver Number MM-212 in all correspondence regarding this well including the Notice of Intent to drill card (NOI) and the Well Driller's Report.

Should you have any questions regarding this matter, please contact me at the address above, by email at khaffey@water.nv.gov or at 775-684-2814.

Sincerely

Kenneth M. Haffey, PE

Staff Engineer

KMH/jw

cc: Timothy P. Donahoe, SRK Consulting
Bureau of Land Management, Tonopah Field Office
Mike Scott, Well Drilling Regulation, e-mail
Jake Echeverria, Well Drilling Regulation, e-mail
Shannon Mc Daniel, Well Drilling Regulation, e-mail
Tim Wilson, Well Drilling Regulation, e-mail

IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA REQUEST FOR A WAIVER FOR TEMPORARY USE OF GROUND WATER FOR MINERAL EXPLORATION

The applicant and/or person or company responsible for drilling and plugging the temporary well:

Patrick Highsmith	Chief Executive Officer	Esmeralda Minerals, LLC
Name 100 W. Liberty St., 10th Floor	Title Reno	Company Nevada 89501
Street Address or PO Box	City or Town	State and ZIP Code
Telephone number of responsible party:	(303) 668-3264	220
Estimated project dates: Nov-01-2	2016 Start Date Jan-31-20	17 Completion Date
Location of the well: PLSS, GPS Coor SE 1/4 NW 1/4 Section	2.0	uired.
Latitude (N): Longitude (W):	} or { UTM (m) E: UTM (m) N:	450055 4175143
County Assessor Parcel Number (APN):	006-281-02	
Street Address (if any): Not Applicable Location of mineral exploration, plan of sheets as necessary)	(Well CV-07) operations, and description of how	water is to be used: (Attach additional
A waiver is requested to drill a well (by groundwater and mineral resources bene exploration activities at CV-7 has been a aquifer test will be performed to estimat Water sample(s) will also be collected fi	eath Applicant's mineral claims. Ap approved by BLM. The well will be e aquifer parameters such as hydra	pplicant's NOI (N-94958) to perform e developed and a small scale
	quan	ty of groundwater and fittium brille.
Estimated amount of water to be used: Number of days 3 x Gallons per of the second s	1 542.005	er.
Number of days 3 x Gallons per	$\frac{543,085}{\text{ = Total Gallons}} = \text{Total Gallons}$	
Is this an existing well? No If	f yes, what is the NDWR well log r	number?
The following iter	ns must be submitted with the wa	aiver request:
• If this is an existing well, su	bmit a copy of the agreement bet	ween you and the owner
 Attidavit of Intent to Plug a 	Well (for new well(s) or well(s) v	which ownership is not claimed)
 Location Map (i.e., Large Se Site Detail Map (i.e., Small Se 		10E
Signatory Contact Information:		
(775) 828-6800	Timothy P.	Donahoo
Telephone Number	Printed Name	Donance
5250 Neil Road, Suite 300		the P. Onlie
Mailing Address	Signature	egy T. Confee
Reno, Nevada 89502	Oct-06-2016	5
City, State, ZIP Code	Date	

IN THE OFFICE OF THE STATE ENGINEER OF NEVADA

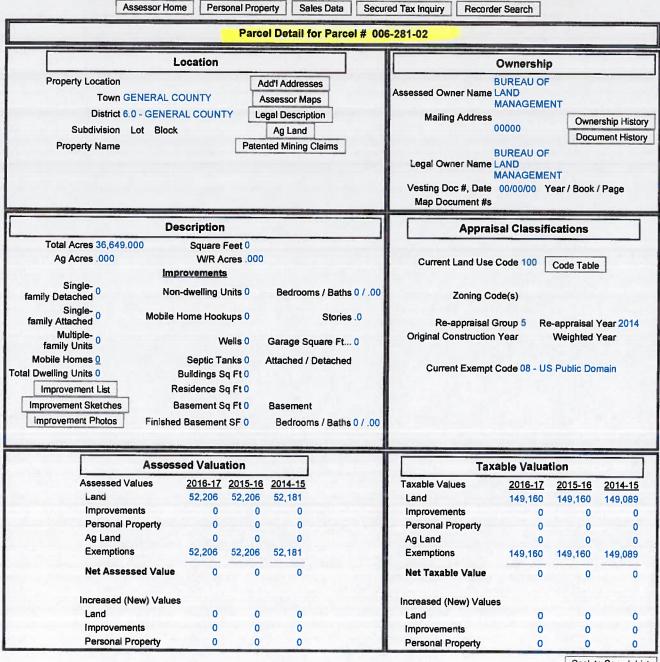
AFFIDAVIT OF INTENT TO ABANDON A WELL

	Notice of Intent #
I, DR. ANDY ROBINSON, C.O.O.	Name & Title
ESMERALDA MINERALS, LLC.	Company
100 W. LIBERTY ST., 10th FLOOR	Address B B M
RENO, NEVADA 89501	NON OF
(604) 961-9932	Telephone Number
of the real property located at:	Address
Street address (if any) not applicable (Well CV-0	97)
County Assessor Parcel Number (APN) 006-28	1-02
Situated within the SE 1/4 NW 1/4 Se	ection 32 T 02 S R 40 E, M.D.B. & M.
responsible for, and shall cause the existing w	cated or to be located, fully understand that I shall be well to be plugged in accordance with the provisions 334.420 and all other applicable rules and regulations.
Responsible Party (Printed Name): Andy Robinson Province of British columbia State of Nevada Pistrict County of North Van couver	(Signature):
Subscribed and sworn to before me on Oct 6, 2	2016
Signature of Notary Public Required	ANDREA D. JOHNSON Notary Public 409 North Dollarton Highway North Vancouver, BC, V7G 1M9 778-984-5320 Notary Seal

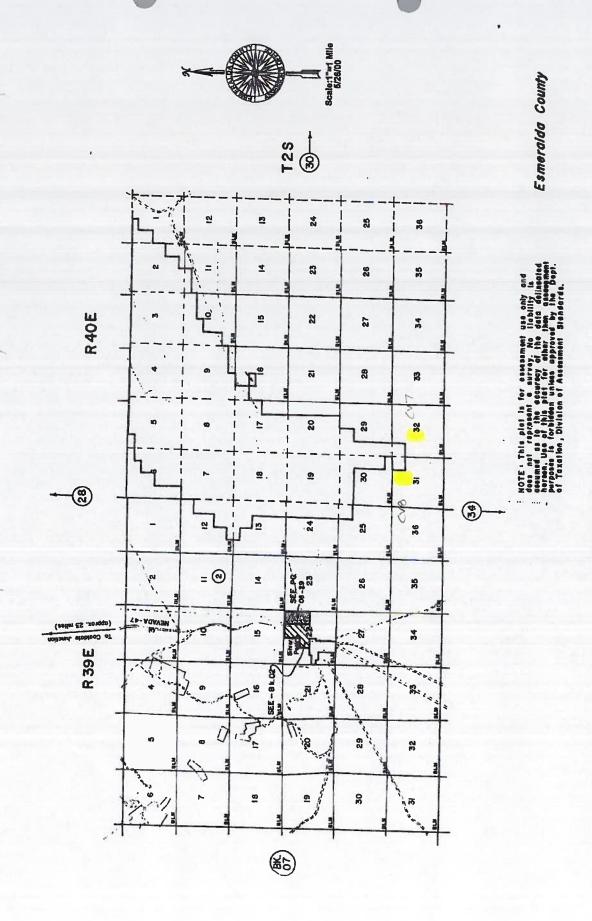
MY COMMISSION IS PERMANENT

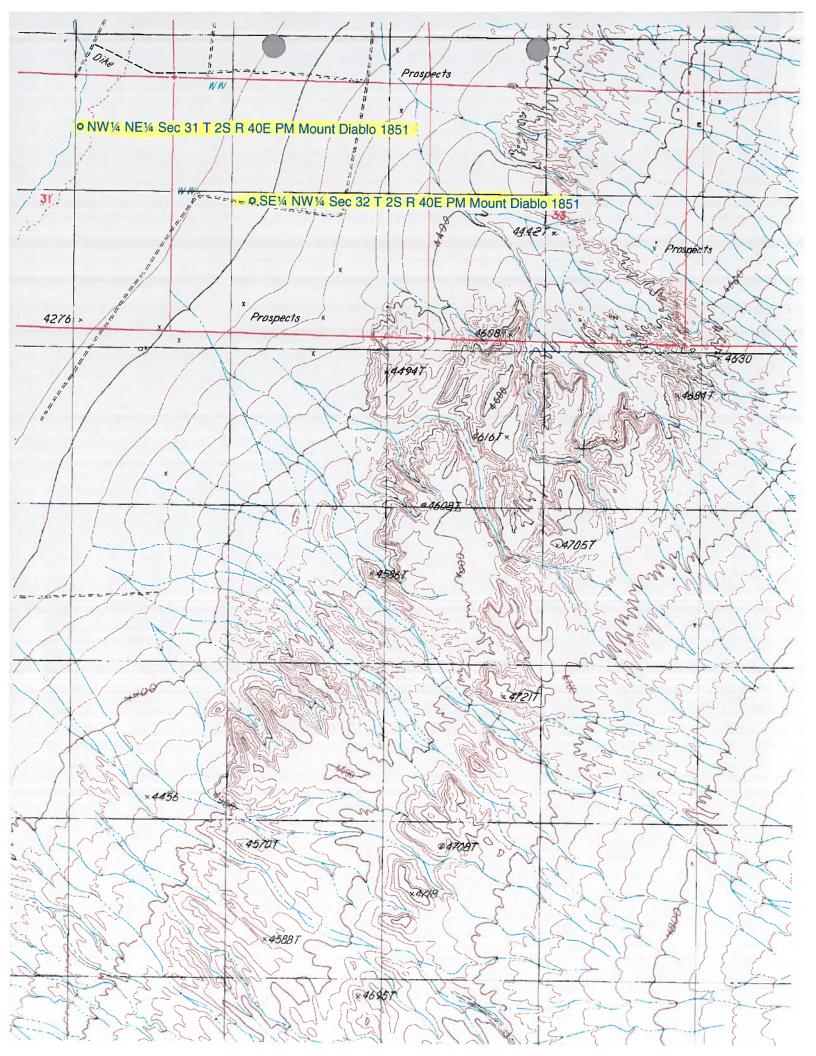
Revised 11/14





Back to Search List









SRK Reno 5250 Neil Road, Suite 300 Reno, Nevada 89502

T: (775) 828-6800 F: (775) 828-6820

reno@srk.com www.srk.com

October 6, 2016

Ms. Shannon McDaniel Water Resources Specialist II Nevada Division of Water Resources 901 South Stewart Street, Suite 2002 Carson City, NV 89701-5250

TATE ENGINEERS U M

Applications for Waiver(s) to Allow Drilling of Wells CV-7 and CV-8 and Temporary Use of RE: Groundwater for Mineral Exploration Activities in Clayton Valley (10-143), Esmeralda County, Nevada

Dear Ms. McDaniel.

On behalf of Pure Energy Minerals Ltd. (PEM), SRK Consulting is submitting the subject waiver applications in the name of PEM's wholly owned subsidiary, Esmeralda Minerals, LLC. A check made payable to NDWR in the amount of \$240 is also included herewith to cover the statutorily mandated filing fees.

The waivers being applied for are necessary to allow drilling of wells CV-7 and CV-8 and to temporarily use groundwater therefrom to support PEM's phase 4 mineral exploration activities for the Clayton Valley South project.

Thank you for your service and assistance in this matter - it is greatly appreciated. Should you desire additional information or clarification, please feel free to contact me at your convenience.

Sincerely,

SRK Consulting (U.S.), Inc.

Timothy P. Donahoe, PLS, WRS, CEM Senior Consultant (Hydrogeology and Water Rights)

tdonahoe@srk.com 775-828-6800

cc w/ enc:

Patrick Highsmith (Pure Energy Minerals) Robert Mintak (Pure Energy Minerals) Andy Robinson (Pure Energy Minerals) Paul Taggart (Taggart & Taggart, Ltd.) SRK Project file: 483600.010

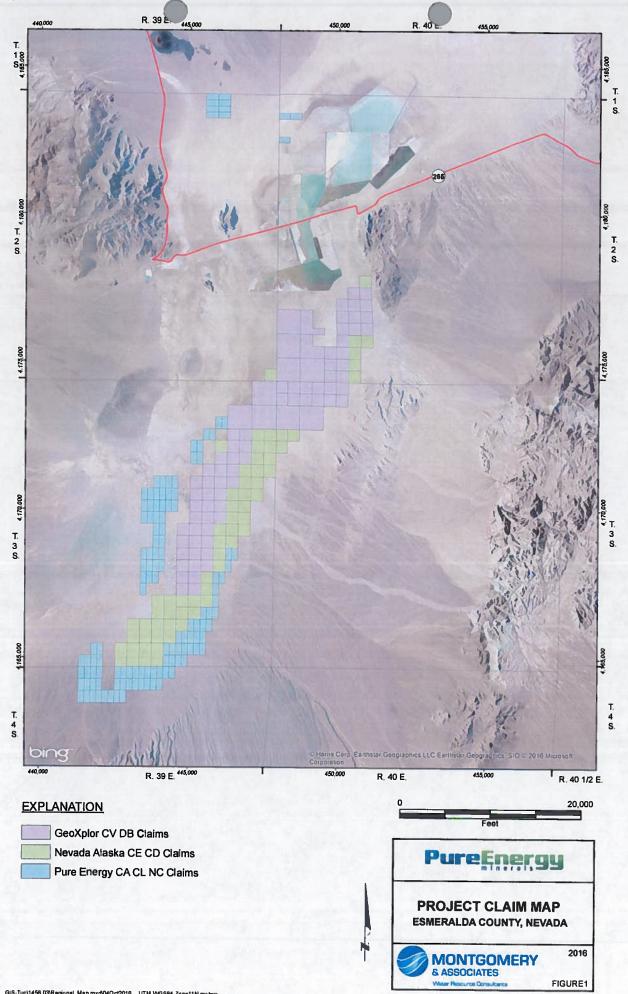
U.S. Offices:

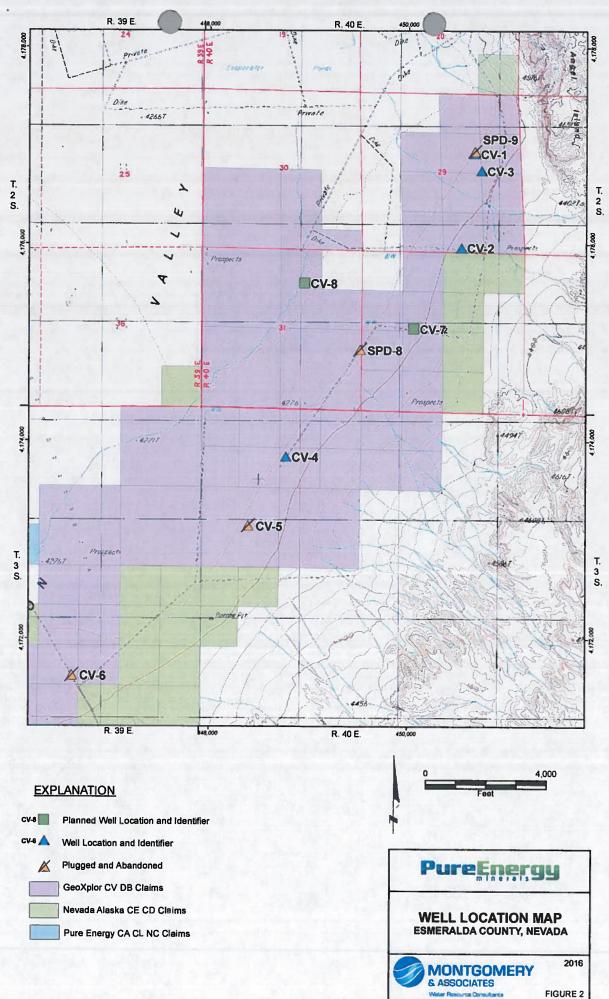
Anchorage 907.677.3520 Denver 303.985.1333 Elko 775.753.4151 Fort Collins 970.407.8302 Reno 775.828.6800 Tucson 520.544.3688

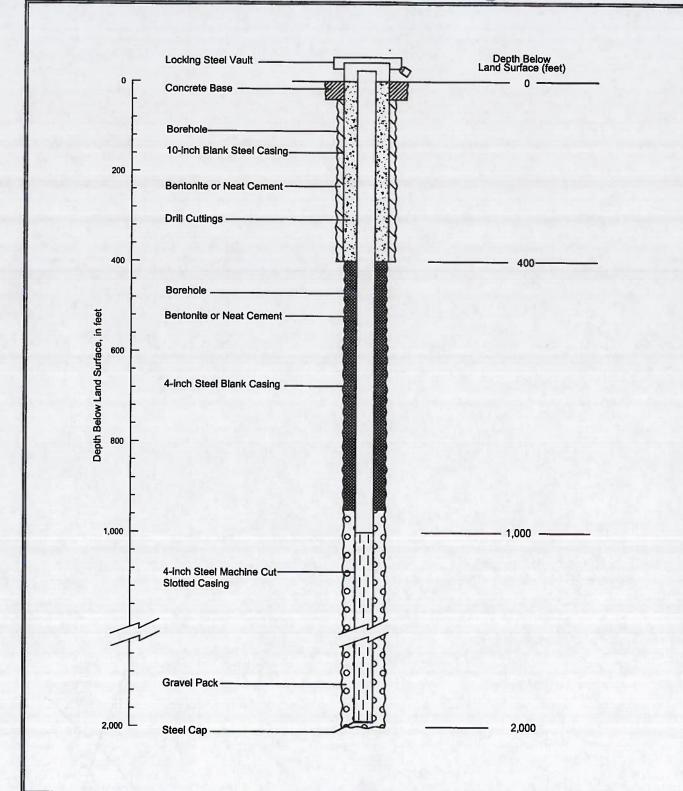
Mexico Office: Guadalupe. Zacatecas 52.492.927.8982

Canadian Offices: Saskatoon 306,955,4778 Sudbury 705,682,3270 Toronto 416.601.1445 Vancouver 604.681.4196 Yellowknife 867.873,8670 **Group Offices:** Africa Asia Australia Europe North America

South America







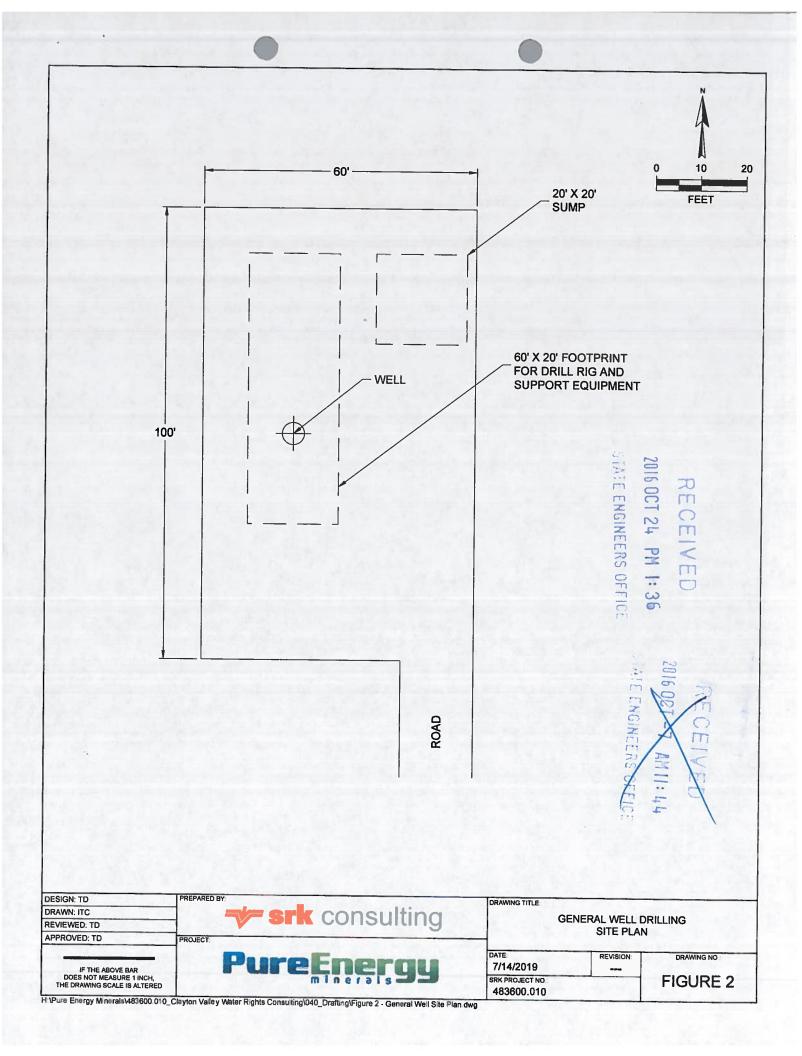


WELL NO: CV-7	NORTHING: 4175143
DATUM: WGS84 UTM	EASTING: 450055
CLIENT: Pure Energy Minerals	ELEVATION: 4273 ft amsl

SCHEMATIC DIAGRAM FOR PROPOSED BRINE EXPLORATION WELL CV-7



FIGURE 1





United States Department of the Interior



BUREAU OF LAND MANAGEMENT Tonopah Field Office P.O. Box 911 (1553 South Main Street) Tonopah, Nevada 89049

Phone: 775-482-7800 Fax: 775-482-7810 http://www.blm.gov/nv/st/en/fo/battle_mountain_field.html

In Reply Refer To: N-94958 3809 (NVB0200)

OCT 8 3 2015

CERTIFIED MAIL - RETURN RECEIPT REQUESTED 9171 9690 0935 0137 7508 51

DECISION

GeoExplor Corp.

3655 W Anthem Way Ste. 109-293

Anthem AZ 85086 0430

43 CFR 3809 – Surface Management

: Notice

Determination of Required Financial Guarantee Amount

Description of Notice - Your notice for drill holes for the CV 7&8 Exploration Project was received in this office on September 19, 2016. The project area is located in Esmeralda County, Nevada in section 31 & 32, T. 2 S., R. 40 E., Mount Diablo Meridian. The notice proposes 2 drill holes totaling 3.76 acres of disturbance. The proposed operations were reviewed by various resource specialists who have determined that the operation, as proposed, will not cause unnecessary or undue degradation as defined under 43 CFR 3809.5. The Bureau of Land Management (BLM) casefile number for your notice is N-94958. Please refer to this number in any future communication concerning this notice.

Amount of Financial Guarantee — A member of the Tonopah Field Office staff has reviewed your reclamation cost estimate and determined that a financial guarantee of \$27,134.00 is sufficient to complete reclamation of the proposed disturbance. The amount of the reclamation cost estimate is based on operator compliance with all applicable operating and reclamation requirements.

All line items contained in the reclamation cost estimate are not to be considered as the limits of financial guarantee expenditures in that respective category or task should forfeiture of the financial guarantee by necessary. The line items listed are solely for the purpose of arriving at a total amount for the financial guarantee. This total amount may be spent however the BLM deems necessary to implement the approved reclamation plan, and does not represent a reclamation cost limit or constraint.

The BLM's review of your proposed operations, determination that your notice filing is complete, determination that your operations as proposed will not cause unnecessary or undue degradation and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources, and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee - A financial guarantee in the amount of \$27,134.00 must be filed and accepted by the Bureau of Land Management, Branch of Minerals Adjudication, 1340 Financial Blvd., Reno, Nevada 89520. You must receive written notification from that office accepting and obligating your financial guarantee before you may begin any surface disturbing operations.

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. Please contact the Branch of Minerals Adjudication at 775 861-6400 for further information on the adjudication of financial guarantees.

This decision does not constitute certification of ownership to any entity named in the notice; recognition of the validity of associated mining claims; or recognition of the economic feasibility of the proposed operations.

<u>Term of Notice</u> - Your notice will remain in effect for two years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another two years after the expiration date of your notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

<u>Reclamation</u> - After re-contouring dill pads and roads, the "to be determined seed mix" shall be applied at the specified rate per acre of disturbed ground. The seeding rate is for drill seeding. The seed rate should be doubled for broadcast seeding and the seed covered after application by raking or other means.

<u>Guidelines for Operations Conducted Under a Notice</u> - The enclosed document provides additional guidelines concerning your notice.

Other Stipulations – Additional Biological and Cultural information specific to this geographic area have been developed and are included as an enclosure.

STATE ENGINEERS OFFICE

2016 OCT 24 PM 1: 36

Appeal of the Decision

If you are adversely affected by this decision, you may request that the BLM Nevada State Director review this decision. If you request a State Director Review, the request must be received in the BLM Nevada State Office at 1340 Financial Blvd., Reno, Nevada 89502, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a stay (suspension) is granted by the State Director. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Nevada State Office to determine when the BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at P.O. Box 911, 1553 S. Main St, Tonopah, NV 89049, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a) (1). Your Notice of Appeal must be filed in this office at P.O. Box 911, 1553 S. Main St, Tonopah, NV 89049, within 30 days from receipt of this decision. As the appellant you have the burden of showing that the decision appealed from is in error. Enclosed is BLM Form 1842-1 that contains information on taking appeals to the IBLA.

This decision will remain in effect while the IBLA reviews the case, unless a stay is granted by the IBLA. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Request for a Stay

If you wish to file a petition (request) pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the IBLA and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending anneal must show sufficient institution. decision pending appeal must show sufficient justification based on the following standards:

1. The relative harm to parties if the stay is granted or denied.

3. The likelihood of immediate and irreparable harm if the stay is not granted.

4. Whether the public interest favors granting the stay.

If you have any questions, please contact William Coyle, Assistant Field Manager, Non-Renewable Resources, at (775) 482-7800.

Timothy J. Coward Field Manager

Enclosures

cc: BLM Nevada, Branch of Minerals Adjudication

2016 OCT 24 PM 1: 36

RECEIVED

RECEIVED

2016 OCT 24 PM 1: 36

ECEIVED

Linear Feet of Read Linear On a Side Stope 2000 -2006 -2006 -2006 -2000 -2006 -2000	B. Geold						-	
pee umps depes depes country		CV74. Geolider Com. 18 Sept 2018 CV7 147 States Inc Consultation	Acreage Cak	cuators	A COMMANDER	SACE 2	SRCE 2016 Cost Data Version 3.2	ion 3.2
rango Aposes Outubo				- CV - CV		. Totaloagua	M defici stres	
imps dopes country	12		Lathor Cost	Manpower	Equipment	Materials	Couth mater Food	Sond Daylamation
Appear Country	8	Recontouring Cost <30%	\$266	35 00	\$0.14	99	20.23	66.47
impo lebes cumby	1	Recontouring Cost >30%	8	20 22	\$0.32	00 05	35	S
								Pad& Sumo
onmp)	2			Managemen	Enugereent	Material	Cost each	Reclementon
A Desired	-	Reconfouring Cost	\$8657	\$25.20	\$38 40	20 00	28160	MO CS
Javel 1		Recontouring Cost	8	288 20	\$127.20	20 00	\$215.40	S
lawel		Püpping Cost	8	\$12.40	\$22,60	00 05	235 00	S
Travel		Recontouring Cost	\$571	\$16.80	\$24.20	80 00	\$4100	\$1,394
Travel	Feet	900-900-000-000-000-000-000-000-000-000		Management		-		
		Reconfouring Cost	S	24 02	E STATE OF THE STA		COSTUTION FOOL	
The state of the s		Ripping Cost	S	5	20.03	3 8	27.74	3 3
					70.00	3	300	3
Stope Acres	lores .			Mentioner	Enugment	Materials	Cost/Acre	
	-	Nevegetation Cost	2357	280 33	\$27.00	\$332.75	\$453.08	\$1.733
Apple and the state of the stat				Managaner	Equipment		Mob+Demob	
150 miles Mobilization	-	Mobilization Cost-excevator	\$881	2880 90	\$1 034 10		\$1 015.00	Ct D4K
150 miles Mobilization	1	Mobilization Cost-dozer	8	\$475.86	\$857.14		\$1 133.00	9
Orill Hotes Open	1							
Feet of Open Holes - Wet		Phonon Cost - Mas	69 660	00 62	E CAMBITION IN	The same of	Cost/Foot	Drill Hole Plugging
		Paroding Cost - Dry	6000	3 5	25.00	R 3	\$2.26	\$11,305
Feet of Casing to Pull		Pulling Casing	8	8 72 22	51 62	8 8	2 2 2 2 2 2	3 5
150 miles Mobilization	-	Mobilization Cost - Wet	£1 000	Manpower S	Equipment		Mob+Demob	
150 miles Mobilization		Mobilization Cost - Dry	Si	\$738.45	27 COU		C 123 00	22 052
Disturbance Type Total Acrus	Cree	Total Linear Post	Slope Acres				2000	2
1		2,800	1.16					Total Baclamatina Cost
Drill Sites 2.07			2.11					\$22.141
Sumps 0 55			1 1 0					
Thenches 0 00	I	0	RS					
		٥	980					Water Cale
total Notice acres 3.76		total slope acres	3.83					TOWN CADOL
and the state of t								
wallow colfs are unit costs		Controgency				10% Total R	10% Total Reclamation Cost	8
black ford cannot be chanced		maurance					1.5% Labor Cost	\$100
ed font are calculated values with formulas	-	Confractor Dentity				3% Total	3% Total Reclamation Cost	R
	-	Contract Administration				UN TOTAL	10% Fotal Rectamenton Cost	\$2,214
		Indirect Costs			21%	Contract &	21% of Contract Administrator Cost	22.214
							Tona interest and	COM
Commigency and Performance and payment Bonds required only if total reclamation cost > \$100,000	onds rodu	and only if total recismation cost >	\$100,000					Total Admenstration Cost
1112								\$4 893
D SOLINGIA DE LA			Cost per acre			Fin	Financial Guarantee	
×			\$7.212		ILLINO A	TAGE	American	

1. There are how side in a large catagorists used for all catalodistions in this worksheet. All alones under 1994 (-20%) are assumed to have a sign of 4%. All founds in this worksheet are assumed to have a 14 for wide dimension across the flat 'drivestee'. Part of the road without any safety bears. All found stand this worksheet are assumed to have a 14 for wide dimension across the flat 'drivestee'. Part of the road without any safety bears. All found stand fill lists out beards are assumed to have a 100 feat wide. For Datil Sites or a bears are assumed to have a 100 degree alone. All found and Drift lists out beards are assumed to have a 100 degree alone. All found and Drift lists out beards are assumed to have a 100 degree alone. All found and Drift lists and beards are assumed to have a 100 degree alone. All found and Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists and beards are assumed to have a 100 degree alone. All found are Drift lists are assumed to have a 100 degree alone. All found are Drift lists are assumed to have a 100 degree alone. All found are Drift lists are aloned on the second on the	To are two side his alone categories used for all calculations in this worksheet. All slopes under 30%(<30%) are assumed to have a slope of 20%.
Roads in the worksheet are assumed to have a 14 foot wide dimension percess the fee! "divessible" part of the road without any satisfy beams. Road and Drill Sites is a season of the control of the con	
About and Ortil Sites cut barries are essumed to have a 60 degree slope. About and Chill Sites cut barries are essumed to have a manipul of money of 144.1V or about 70% single equal to a 36 degree angle. But and the filt Sites of the forest to the second of the control of t	toads in this worksheet are assumed to have a 14 foot wide diseasion across the flat "thhesiste" part of the road without any safety berns. If this in this worksheet are assumed to be 30 feet wide. For Brittl Shas on shours <30% than any 70 feet learn For Brittl Shas on should be 30 feet wide.
The second to the second as special and second to the control of t	boad and DHI Bittee out bentte are assumed to have a 60 degree alope.
positiouring for reclamation of Reads, brill State, and Burges is done with a track exceivator of a Cat 320C size with a 1.57 CV buctest and productivity of 185 CV per hour. In this process call is based on Davis-Bacon wage raise for Workman Nature Memory and 1.57 CV buctest and productivity of 185 CV per hour. One Cost is based on Davis-Bacon wage raise for Notitien Newclas with FICA = 7.85%, Unampleyment = 3% and Workman's Compa & 77% of the Cost of Lease of a quadiative for the ordinate with FICA = 7.85%, Unampleyment = 3% and Workman's Compa & 7.70% of the Cost is based on Davis-Bacon wage raise for Notitien Newclas with FICA = 7.85%, Unampleyment = 3% and Workman's Compa & 7.70% of the Cost is based on a standard for size acrea. If States on stopes < 2.00% and Cost of the of a quadiative data with an expension of the Davis Bacon stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long. If States on stopes < 2.00% and Cost of State long with 10 the acrea wide to 2.00%. If States on stopes < 2.00% and the State long with 10 the acrea wide of 2.00%. It states long the state long with 10 the acrea wide of 2.00%. It states long the states and States will be stated on the States and States long will be stated on the States and St	de are freeze feetures and the units required for ingut to this worksheet are in linear feet. One single equal to 8.35 degree angle.
State part hour, FICA = 7,65%, Unamployment = 3% and Westmans Comps & 70% one cost is belied on Debugge and several se	onbouring for reclamation of Roads, Drill Stee, and Sumps is done with a track excavator of a Cat 320C size with a 1.57 CV bucket and productivity of 185 CV per hour. privant operator filliangower cost is based on David-Bricon wasse rates for National National
oter cost is based on Davis-Bacon wage rates for Northern Newcrats with FICA # 7.65%, Unemployment = 5% and Workman's Comps 8,70% registration cost is based on the cost of use of a quasif.ATV which sevests and darge the seed in on one pass. If Shas no stock an based on a standard for stope acres. If Shas no stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% and 26 based on a standard pad width and langth. If Shas on stopes <200% are 50 best wide by 85 leaf tong. If Shas on stopes <200% and the contract of the same of the contract of the contract of the contract wide by 26 leaf tong. If Shas on stopes <200% are 50 best page of the contract of the contract wide by 26 best tong. If Shas on stopes <200% are 50 best page of the contract of the contract wide by 26 best page with 10 best earn wide for the spoke pla. A D6 is used for incentur at 200 CV hour productivity on the standard by 5 leaf days with the 30 foot * 83 foot dimension of the Dnff Shas. If Shas >200% are 50 best standard by 5 leaf days with 10 best earn wide by 5 leaf tong with 10 best earn wide best of 200%. If Shas >200% are 50 best standard by 5 leaf days with 10 best earn wide by 5 leaf days with 50 foot * 83 foot dimension of 50 best by 6 leaf wide by 6 leaf days with 10 best days with 10 best by 6 leaf days with 10 best day	Liber 33.00 per hour, FICA = 7.65%, Unamployment = 3% and Workman Compa-8.70%,
Weighbliddon costs are based on a por nove basis for slope across. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet wide by 63 feet long. If Silvas on slopes 2005, are 30 feet long. If Silvas on slopes 2005, are 30 feet long. If Silvas on slopes 2005, are 30 feet long by 63 feet long. If Silvas on slopes 2005, are 30 feet long by 63 feet long. If Silvas on slopes 2005, are 30 feet long by 63 feet long. If Silvas on slopes 2005, are 30 feet long by 63 feet long by 64	Not cost is based on Davis-Bacon wage rates for Northern Neveda with FICA = 7.65%, Unemployment = 3% and Workman's Comp= 8.70% regelation cost is based on the cost of use of a quadrATV which seneath and drace the sened in an one sens.
If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet wide by 63 feet long. If Situs on slopes 20% are 30 feet long with 10 feet wide by 64 feet long are 67 feet long are 67 feet long are 67 feet long with 10 feet wide by 64 feet done with 10 feet wide by 64 feet wide by 64 feet wide by 64 feet wide by 64 feet long with 10 feet long long 10 feet long with 10 feet long long 10 feet long 10 fe	Weightillion controls are basis for slope acre.
Ill States on slopes 3-30% are 30 feet wide by 63 feet long. Chose Country Drill Stees, the disturbed area is rigned by a Cet D7 sare dozer. Chose Country Drill Stees, the disturbed area is rigned by a Cet D7 sare dozer. I brill Stees - Country Drill Stees are seasoned of the sasumed dimensions are 10 feet wide, 20 feet long and 6.75 feet dozen. (50 CY) I brill Stees - 30% aloges sumps are assumed to be within the 30 food + 63 foot dimension of the Drill Stee. I brill Stees - 30% aloges sumps are assumed to be within the 30 food + 63 foot dimension of the Drill Stee. I brill Stees - 30% aloges sumps are assumed by 5 feet dozen with 10 feet acris width for the spots pile. A Dril stee, used for incontain at 208 CY hour productivity occupantly travels as assumed to be 14 feet wide by 5 feet dozen with 10 feet acris width for the spots pile. A Dril stee and 30%, occupantly travels as assumed to be 14 feet wide by 5 feet dozen with 10 feet acris width for the spots and 10 feet wide by 5 feet dozen with 10 feet acris width for the spots and 10 feet wide by 5 feet dozen with 10 feet acris width for the spots and 10 feet wide by 5 feet dozen with 10 feet acris width for the spots and 10 feet wide by 10 feet dozen with 10 feet acris of 10 feet wide by 10 feet wide by 10 feet acris of 10 feet wide by 10 feet acris feet and 10 feet wide by 10 feet acris feet and 12 feet wide by 10 feet acris feet and 12 feet wide by 10 feet acris feet and 12 feet wide by 10 feet acris feet and 12 feet wide by 10 feet acris feet and 10 feet acris f	1 State on bloods 20/Marie Canada Carater Data Walls and serials have been also been considered and also serial allowed to the care of the
In Crose Scenariory Drill Sithes, the disturtional area in rigned by a Cet D7 scree docest. The state of the	Il Sibas on slopes > 30% am 30 feet width by 55 feet lang.
no beauty to sear Livin 30 km. The Statement demanders are 10 feet long and 6.75 feet ideap. (5CCY) Defil Bibles - 30% shopes turny are assumed to be outside the Driff Bible. Defil Bibles - 30% shopes turny are assumed to be outside the Driff Bible. Member are assumed to be 14 feet when by 5 feet deap with 10 feet actual within the Bible bible. Member are assumed to 14 feet when by 5 feet deap with 10 feet actual within the Bible bible. A Dis is used for recenturer at 206 CV hour productivity case Country terms of the bible	Cross Country Pull Sites, the disturbed area is rigged by a Cat D7 size dozer.
Notes that are assumed to be 14 feet wide by 5 feet deap with 10 feet extra width for the spock pile. Secondostrible active of the secondostrible of the	e source, to seed Liver State. The assurand denotations are 10 feet wide, 20 feet long and 6.75 feet deap. (50 CY) DUI Billion 4004, about they are network to a retied to a retied on a retied on a retied to a retied on a retied on a retied to a r
conforcing are assumed to be 14 feet wide by 5 feet daap with 10 feet extra width for the spocks pile. A D6 is used for necestars at 208 CV/ hour productivity conforcing against Knade Britishes are Summed to be an assumed to an assumed to 20%. Transfelse are stated as 20%, so that the conforcing and the season of the seaso	Drill Stees > 30% stopes sumps are assumed to 5e within the 30 foot dimension of the Drill Stee.
one Country travel is assumed to have a disturbance of 6 feet wide by the insum feet of bravel on specimens are status as you. Neglection costs for all Cross Country disturbance is based on a 12 frost wide abeding width on one pass Neglection and Devolutionistics are based on 15 instances of the country of the payod. Neglection and Devolutionistics are based on 15 instances on 10 instances on 10 instances on the 2016 Meb/DelMob worksheet. Neglection are assumed to be 2.73 hours one way to the project. Neglection from a country of the payod for regarding of Readin, Drift Shass only. Neglection for a Cat 320C excertator will be charged for regarding of Readin, Drift Shass only. Neglection for a Cat 320C excertator will be charged for regarding of Reading Medical and the country of the state of Country disturbances; a Det dozer will be mobilized also. Legislate that propose dilling will require a institution Drift Holes Open statement one. And hole will not printing the static verter level it is considered a well hole and must be abandoned as an Open Hole. Dry. Adil hole is dilled despor than the static verter level it is considered a well hole and must be abandoned as an Open Hole. Adillated to Total Holes. Open in Copen Hole. New Will hole one of the Drift Holes. One of Drift Holes of Open Hole of the Medical and include one drift if plus crew and support equipment.	nethes are assumed to be 14 feet wide by 5 feet dusp with 10 feet extra width for the spoak pile. A D6 is used for recenture at 208 CY/ hour productivity.
regulation costs for all Cross Country (dishubstee) is based on a 12 foot wide asseding width on one pass with the control of the country dishubstee is based on 18 for mise one way to project and are based on the 2016 Met/Delikob worksheer. All times are assumed to be 2.73 hours one way to the project. Bright of the project. Bright of the project and are being the project. Bright of the project and the country disturbance; a 16 dozer will be mobilized also. Interest any Trunches or Cross Country disturbance; a 16 dozer will be mobilized also. Interest any Trunches or Cross Country disturbance; a 16 dozer will be mobilized also. Interest any Trunches or Cross Country disturbance; a 16 dozer will be mobilized also. Interest a support a support and the static water level it is considered as an Open Hele. Dry. Only hole will not printing the static water level it is considered a well hole and mist be abandoned as an Open Hele. Dry. All hole is diliked desport than the static water level it is considered a well hole and mist be abandoned as an Open Hele. Many of the project of the static water level it is considered a well hole and mist be abandoned as an Open Hele. All hole of the Heles of Open Hele of the static water level it is considered a well hole and mist be abandoned as an Open Hele. All hole of the heles of the static water level it is considered a well hole and mist be abandoned as an Open Hele. All holes of the heles of the heles of the hele and mist be abandoned as an Open Hele and heles and hele and hele and heles and hele and heles and hele and hele and hele and hele and hele and heles and hele and hele and hele and hele and hele and heles and hele and hele and hele and hele and hele and hele and heles and heles and hele and hele and heles and hele and hele and hele and hele and hele and heles and heles and hele and heles and hele and heles and he	ses Country travel is assumed to have a disturbance of 6 feet wide by the insur feet of travel on pages under 10%.
we there are assumed to be 2.7 allows one way to project and are besed on the 2016 Meb/Dulkob worksheer. Mitten are assumed to be 2.7 allows one way to the project. Mittens for a Cat 320C excavator will be charged for ingrading of Results, Drift Stass only. New are any Treaches or Cross Country disturbancer, a D6 dozor will be mobilized also. Follows the propose delay will require a minimum Df1 Media of D9m sharedownson cost. Follows the propose delay all its water level it may be abundoned as an Open Hole - Dry. of it hole is dillad disport than the static vester level it is considered a well hole and many be abandoned as an Open Hole - Wer. of it hole is dillad disport than the static vester level it is considered a well hole and many be abandoned as an Open Hole - Wer will minched one drift if plus crow and support equipment.	replainted costs for all Cross Country disturbence is based on a 12 foot wide sending width on one pass.
bilization for a Cat 320C exceretor will be charged for regrading of Readin, Drill Stass only. New are any Twinches or Cross Country disturbance; a De dozer will be mobilized also. The are any Twinches or Cross Country disturbance; a De dozer will be mobilized also. For the country of the propose deliny will require a minimum Drill Holes Open standardment cost. For the country of the country of the static water level it may be attendened as an Open Hole. Dry. Only hole is dilled demper than the static water level it is considered a well hole and may! be abandoned as an Open Hole. Wet. Additionally for Drill Holes. Open Hole - Wet will include one drill rig plus crew and support equipment.	opposed on the University of the Dasset on 150 miles one way to project and are based on the 2016 MobilDukko worksheer. We three are assumed to be 2.73 hours one way to the project.
There are stry Treaches or Cross Country disturbance; a D6 dozer will be mobitized also. Explosis that propose difficient a minimum Drill Media of Dpen standardisent cost. foil incle will not principally will require a minimum Drill Media and many as no Open Hole. Dry. drill hole is diffied desport than the static water level it is considered a well hale and mail be abundoned as an Open Hole. Or of Drill Holes. Open Hole - Wet will include one drill rig plus crew and suggent equipment.	bilization for a cet 320C excavator will be charged for regrading of Roads, Dritt Shas only.
And those will not parietise in familiar in the parietise of the parietise of the parietise in the parietise is a static water level it may be abundoned as an Open Hole - Dry. of ill hole is dillad dargor than the static water level it is considered a well hole and mail be abundoned as an Open Hole - Wer. billisation for Driff Holes - Open Hole - Wet will include one drift fig plus crew and suggent equipment.	use are any trivicable or Cross Country disturbation; a D6 dozer will be mobitoed etso.
dril hole is dilikel despor then the static water level it is considered a wel hole and mail to abundoned as an Open Hole - Wer. Additionable for Drill Holes. Open for Open Hole - Wet will include one drill rig plus crew and suggent equipment.	dispose uses propose company var require in firmatrial. This Bridge dispose absolutement costs. dispose uses propose company var require in firm to estandened as an Omera Holes. Env.
abilitation for Drift Holes. Open for Open Hole: Wet will include one drift fig plus crew and suggent equipment.	drift hele is drilled desper then the static water level it is considered a wel hole and may be abendoned as an Open Hote. West
The same of the sa	Militaden for Drill Holes. Open Hole. Wet will include one drill rig plus crew and support equipment.

STATE ENGINEERS OFFICE

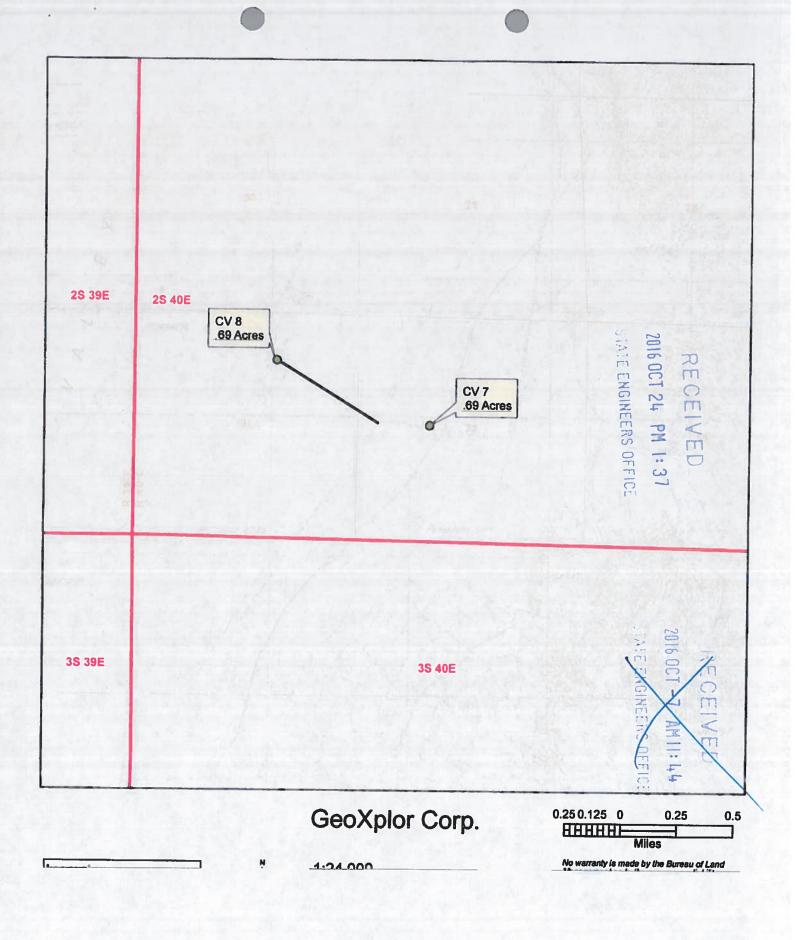
STATE ENGINEERS WELLS

2016 OCT - X AM 11: 4.4

RECEIVE

2016 OCT 24 PM 1: 36 RECEIVED

10/3/2016



CV-7&8 GeoXplor Corp. Lithium Exploration Drilling Program Biological, Cultural and Paleontological Resources Conditions

Cultural Resources

A cultural resources records check has been performed for the proposed project area. No inventory has been conducted at these locations and there is a strong possibility that sites could be found in the proposed project area. If cultural resources are found, the BLM strongly recommends that GeoXplor Corp. retain the services of an archaeological contractor to avoid damage to cultural resources. The Native American Graves Protection and Repatriation Act (NAGPRA: 43 CFR 10), protects items of cultural patrimony, Native American funerary items, Native American remains and sacred objects. In addition, The Archaeological Resources Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provides for civil and/or criminal penalties for the disturbance of archaeological resources on federal lands and if such disturbance is the result of activities conducted by GeoXplor Corp., they could be liable for such damages. If cultural resources, Native American remains, funerary items, scared items, or objects of cultural patrimony are discovered, GeoXplor Corp. must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow (43 CFR 10.4 (c), (d), (g); Nevada State Protocol Agreement VIII (b)). Notification should be made to Tonopah Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah, NV, 89049, (775-482-7800). No activity in the vicinity of the discovery should resume until GeoXplor Corp. has been issued a Notice to Proceed by the Authorized Officer.

Paleontological Resources

Paleontological resources constitute a fragile and non-renewable scientific record of the history of life on earth. Although no paleontological resources are known or identified in the immediate area, this project may have an unintended adverse effect on such resources. GeoXplor Corp. should note that fossils are not part of the mineral estate. Paleontological resources are protected by the Paleontological Resources Protection Act (OPLA-PRP: Omnibus Public Land Management Act of 2009 Paleontological Resources Preservation Subtitle 123 Stat. 1172, 16 U.S.C. 470aaa et seq.) which establishes criminal and civil penalties. GeoXplor Corp. should also be aware that if paleontological resources are found in direct association with cultural resources, then such occurrences are subject to Archaeological Resource Protection Act (ARPA 43 CFR 7.4, 7.14, 7.15, 7.16) provisions. OPLA-PRP requires that the nature and location of paleontological resources on public lands be kept confidential. If paleontological resources are discovered, GeoXplor Corp. must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow. Notification should be made to Tonopah Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah, NV, 89049, (775-482-7800). No activity in the vicinity of the discovery should resume until GeoXplor Corp. has been issued a Notice to Proceed by the Authorized Officer.

Biological Resources

Project area is likely utilized by small mammals (potentially Pale/dark kangaroo mouse) and reptiles. Limited use by larger ungulates is likely. Project is located just above the playa bottom of Clayton Valley southeast of Angel Island. Peropend small mammal survives for kangana.

GUIDELINES FOR OPERATIONS CONDUCTED UNDER A "NOTICE" (Not all are appropriate for all areas)

- 1. For any given project area, the maximum allowable surface disturbance under a "Notice' is five acres. Any activity that results in excavation, compaction, powdering, or erosion of the original ground surface, is considered disturbance and must be reclaimed. This may include the blading or rutting of existing roads, the development of a rutted surface during cross-country travel, and drilling or trenching. Please contact this office if you expect to exceed a total disturbance of five acres; submittal of a Plan of Operations may be necessary.
- 2. In areas where more than one operator has been or will be conducting operations, we suggest that each operator document their portion of the disturbance to assist in future reclamation accountability. This should be done by submitting to BLM a map showing the existing disturbance and the proposed new disturbance, and indicating the time periods (if known) during which past disturbance occurred. Reclamation of disturbance done under this "Notice" is the responsibility of the claimant and includes liability for reclamation not satisfactorily completed by the operator.
- 3. Disturbance to drainages, including blading or filling, should be avoided. Where a dry wash offers the only feasible access to a site, no blading of the wash should be done. No disturbance should occur within 100 feet of active drainages, springs or seeps. Drainage crossings should neither obstruct the channel nor result in increased erosion or sedimentation.
- 4. Within the Tonopah Field Office planning area there are certain effective actions that are considered to be critical to reclamation success and eventual closure for mineral development projects conducted on public lands. Earthwork should blend disturbed areas back into pre-disturbance topography, i.e., reclamation of roads cut into hill sides should involve pulling excavated material back up into the road cuts so as to closely approximate the original hillside. Material should consist of a mix of medium coarse to fine sand size materials, avoid "bug dust". Seed beds should be rough and consist of alluvial material or "top soil" spread over the top of the disturbed areas (high salt content may be a problem in some areas). The use of fertilizer is discouraged. Use the appropriate seed mix. To verify the proper seed mix, contact the Tonopah Field Office prior to re-seeding. All seeds must be tested for noxious, poisonous, or prohibited plant species, and the test result submitted to and approved by the BLM, unless certified "weed free" seed is procured. Seeding should be completed in the late fall before the first snowfall. Successful revegetation consists of the establishment of a self-sustaining desirable plant community.
- 5. All operations, including casual use, must comply with all applicable Federal and State laws and regulations concerning cultural resources. According to the Surface Management Regulations (43 CFR 3809.2-2), operators shall not knowingly destroy, disturb or alter cultural or paleontological resources on Federal lands. You must avoid historic features, such as trash scatters, adits, foundations, old equipment, buildings, etc. If such resources

- 5a. If historic or pre-historic artifacts are discovered during project activities, operations in the immediate area shall cease, leaving the resource intact. The operator shall take measures to protect the discovered artifacts from further disturbance by mine employees or contractors. Notify the Tonopah Field Office Manager at (775) 482-7800 so that the resource may be evaluated. The BLM will, as appropriate, evaluate the significance of the find within 10 working days. The operator shall not proceed with potentially disturbing activities until authorized to do so by the BLM. Pursuant to 43 CFR 10.4(g), the holder of this "Notice" must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary objects, sacred objects of cultural patrimony (as identified at 43 CFR 10.2). Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
- Migratory Birds and Raptors: Any activity that occurs between 1 March and 31 July directly conflicts with the bird-breeding season. In addition, many raptor species initiate breeding in March. Therefore, it is recommended that any land clearing or other surface disturbance associated with proposed actions within the project area be timed to avoid potential disturbance of bird nests or young, or birds that breed in the area. Such disturbance may be in violation of the Migratory Bird Treaty Act (MBTA). Under the MBTA, nests, eggs or young of migratory birds may not be harmed, nor may migratory birds be killed. Therefore, we recommend land clearing be conducted outside the avian breeding season (1 March-31 July). If this is not feasible, we recommend a qualified biologist survey the area in accordance with the BLM Nevada 2014 Statewide Wildlife Survey Protocols prior to land clearing. These surveys are only valid for up to 14 days, if activity is not completed before that window, then another survey may be needed. If nests are located, or if other evidence of nesting (i.e., mated pairs, territorial defense, carrying nesting material, transporting of food) is observed, a protective buffer (the size depending on the habitat requirements of the species) should be delineated and the entire area avoided until the young fledge or activity is no longer apparent.
- 7. There is a possibility of sensitive bat habitat in the area of your proposed operation. Avoid disturbing historic workings such as adits or shafts.
- 8. Scientifically significant paleontological resources located on lands administered by the BLM must be left in place and their locations reported to the Tonopah Field Office as soon as possible. All vertebrate fossils, as well as some invertebrates, are included in this category. Your assistance in these efforts will help increase the paleontological database on public lands.
- 9. Trash must be hauled to a landfill permitted by the Nevada Division of Environmental Protection (NDEP) rather than dumped, buried, and/or burned on-site. All operators must comply with applicable Federal and State laws dealing with the storage and disposal of chemicals, petroleum, petroleum products, and Resource Conservation Recovery Act (RCRA) Subtitle D solid and RCRA Subtitle C hazardous wastes. Under no circumstances

10. Occupational Safety and Health Standards (OSHA)

1910.141(c)(1)(i) Toilet Facilities

Except as otherwise indicated in this paragraph (c)(1)(i), toilet facilities, in toilet rooms separate for each sex, shall be provided in all places of employment in accordance with table J-1 of this section. The number of facilities to be provided for each sex shall be based on the number of employees of that sex for whom the facilities are furnished. Where toilet rooms will be occupied by no more than one person at a time, can be locked from the inside, and contain at least one water closet, separate toilet rooms for each sex need not be provided. Where such single-occupancy rooms have more than one toilet facility, only one such facility in each toilet room shall be counted for the purpose of table J-1.

Number of employees	Minimum number of water closets
1 to 15	
16 to 35	2
36 to 55	3
56 to 80	4
81 to 110	5
111 to 150	6
Over 150	(²)

1910.141(c)(1)(ii)

The requirements of paragraph (c)(1)(i) of this section do not apply to mobile crews or to normally unattended work locations so long as employees working at these locations have transportation immediately available to nearby toilet facilities which meet the other requirements of this subparagraph.

- 11. When a fence is cut to allow access to a site, a temporary gate must be installed to prevent livestock from passing through the opening. The fence should be repaired to its original condition or better as soon as possible. Permission from the owner of the fence must be obtained.
- 12. Destruction or felling of trees is to be avoided whenever possible. Partial delimbing is the preferred alternative. Aspen, bristlecone, limber pine and cottonwood are protected and should not be disturbed.
- 13. Use of water for drilling or mining purposes must conform to State of Nevada regulations. Artificial water impoundments used to fill water trucks on public lands must be preapproved.
- 14. Fluids or solution used or encountered in the drilling process may be discharged to the

Where toilet facilities will not be used by women, urinals may be provided instead of water closets, except that the number of water closets in such cases shall not be reduced to less than 2/3 of the minimum

environment only after other practical methods of fluid control (i.e., sumps, tanks, etc.) have been exhausted. If solutions must be discharged to the environment, they must be controlled in such a manner that the discharge does not cause erosion or channeling and is contaminant and sediment free. Alternatives to these fluid management practices must be approved by this office.

- 15. It is your responsibility to bear the cost of any necessary restoration or reestablishment activity of affected survey monument(s). Correspondingly, in the course of any accepted surface disturbance activity when Public Land Survey System Monuments/Cadastral corners or accessories that may or have been subject to obliteration, destruction, or damage, it will be your responsibility to protect and preserve the monumentation. Further clarification can be found in Nevada BLM's Instruction Memorandum No. NV-2007-003.
- 16. The following precautionary measures should be taken to prevent wildland fires. In the event your operations should start a fire, you could be held liable for all suppression costs.
 - 1. All vehicles should carry fire extinguishers.
 - 2. Adequate fire fighting equipment i.e. shovel, pulaski, extinguisher(s), and/or an ample water supply should be kept at the drill site(s).
 - 3. Vehicle catalytic converters and the vehicle undercarriage should be inspected often and cleaned of all brush and grass debris.
 - 4. When conducting welding operations, they should be conducted in an area free from or mostly free from vegetation. An ample water supply and shovel should be on hand to extinguish any fires created from the sparks. Extra personnel should be on site to watch out for fires created by welding sparks.
 - 5. Report wildland fires immediately to the Central Nevada Interagency Dispatch Center at (775) 623-1555.
- 17. Noxious weeds can readily invade disturbed areas associated with exploration projects. Operators are responsible for: 1) identifying noxious weeds in project area (booklets and pamphlets are available from this office), 2) excluding noxious weeds from disturbed areas until reclamation has been accepted, 3) insuring all equipment is "weed free" before traveling to and from project areas so that noxious weeds are not spread to new locations. When noxious weeds are encountered in project areas, documentation of their location and extent should be provided to the BLM as soon as possible. Operators must obtain approval from the authorized officer prior to any herbicide application. Please contact the Tonopah Field Station's noxious weed program lead if you have questions or comments on the information contained in this Guideline.
- 18. To maintain access for other members of the public, drilling activities are not allowed on existing roads and trails. Drill pads surface disturbance must be more than 20 feet from the travel surface of existing roads and trails. "Existing roads and trails" are travel routes for vehicles that you are not required to reclaim.

STATE OF NEVADA

HRIAN SANDOVAL



LEO DROZDO F

JASON KING, P.E. State Engineer

RECEIVED-MAILROOM

ZOIL AUG - 1 P 2: 03

BUREAU OF PREARBACTION OF CONSERVATION AND NATURAL RESOURCES TONOPAR FIELD OF TONOPAR FIELD

901 South Stewart Street, Suite 2002 Carson City, Novada 89701-5250 (775) 684-2800 • Fax (775) 684-2811

June 27, 2016
July 27, 2016
CORRECTED LETTER

Rockwood Lithium, Inc. PO Box 98, Hwy 265 Silver Peak, NV 89047

GeoXplor Corp. 3655 West Anthem Way Suite 109-293 Anthem, AZ 85080

Pure Energy Minerals c/o Dr. Andy Robinson Suite 1780-355 Burrard Street Vancouver, BC, Canada, V6C 2G8

Dajin Resources
Suite 450-789 West Pender Street
Vancouver, BC Canada, V6C 1H2

Intor Resources c/o Richard Harris, Esq. 6121 Lakeside Drive Reno, Nevada 89511 Nevada Energy Minerals Suite 450-789 West Pender Street Vancouver, BC, Canada, V6C 1H2

Nevada Sunrise Gold Corp. Suite 1100 – 1111 Melville Street Vancouver, BC. Canada V6E 3V6

Lithium X Energy Corp.
Suite 3123-595 Burrard Street
Vancouver, BC, Canada, V7X 111

Esmeralda Minerals, I J C 100 West Liberty Street, 10th Floor Reno, Nevada 89501

RE: Lithium Exploration Wells, Production Wells, and Brine Extraction Ladies and Gentlemen: Our office has received a number of inquiries regarding statutes, regulations and permitting in regard to Lithium mining in brine aquifers in the general areas of Clayton Valley, Alkali Spring Valley, Teels Marsh Valley and Columbus Salt Marsh. Each company on the attached service list has been identified as having potential interest in mining Lithium from brine aquifers in Nevada. This informational letter is to ensure all companies are aware of the requirements of the Nevada Division of Water Resources (NDWR). The mission of the NDWR is to conserve, protect, manage and enhance the State's water resources for Nevada's citizens through the appropriation and reallocation of the public waters. In addition, the Division is responsible for quantifying existing water rights; monitoring water use; distributing water in accordance with court decrees; reviewing water availability for new subdivisions and condominiums; reviewing the construction and operation of dams; appropriating geothermal water; licensing and regulating well drillers and water rights surveyors: reviewing flood control projects; monitoring water resource data and records; and providing technical assistance to the public and governmental agencies. This mission is accomplished through the enforcement of Nevada Water Laws and statutes. The statutes are Nevada Revised Statutes chapters 532 to 538, inclusive, also chapters 540, 543 and 544. Well drilling regulations are Nevada Administrative Code chapter 534. The statutes and regulations are available online at http://water.nv.gov. Many of the statutes and regulations will be referenced throughout this letter, but may not be all inclusive. Based on the questions received, the following frequently asked questions have been compiled. What is the difference between a designated and non-designated basin? o For administrative purposes, Nevada is divided into 256 hydrographic basins. Under NRS 534.030, basins may be designated to provide for additional administration. Please note that Teels Marsh Valley (114) and Columbus Salt Marsh (118) are non-designated basins and Alkali Spring Valley (142) and Clayton Valley (143) are designated basins. Can I drill a well without a permit or a waiver? O A well can be drilled in a non-designated basin without a permit or waiver, however, the well must not be equipped and no water may be pumped from such well until a waiver or permit has been approved. If a waiver or permit is subsequently denied, an order to plug the well may be issued. o In a designated basin, a well cannot be drilled until a permit or waiver is approved. Does the answer above apply to test wells and exploratory wells? o Yes.

What is the definition of a borehole? o "Borehole" means a penetration in the ground that is deeper than the longest dimension of its opening at the surface and is made to obtain geologic, geophysical or geotechnical information relating to engineering or for any purpose other than for use as a well. (NAC 534.047) O A borehole may be drilled or plugged by a person who is not a licensed well driller. (NAC 534.4369) A borehole must be plugged within 60 days after it is drilled. (NAC 534.4371) O A borehole must not be used to divert water for any purpose (NAC 534.4369(7)) What is a well? O A well is defined a penetration in the ground made for the purpose of measuring, testing, or sampling the underground strata or producing groundwater. The term includes a water well, monitoring well or exploratory well. (NAC 534.220) Does an exploratory well for brine water that may contain Lithium meet the definition of a borehole? o No. Is a Nevada Licensed well driller required to drill or plug wells that penetrate into a brine (non-potable) aquifer? o Yes. All wells in Nevada must be drilled and plugged by a Nevada licensed well driller, including exploratory wells. (NRS 534, NAC 534) Does it matter if the water source is non-potable? o No. The above answer still applies. Is a water right permit required for Lithium production wells? o Because the Lithium is contained in brine water, a water right permit is required for any water pumped from the well. • What if my process for extracting the Lithium from the brine water is non-consumptive. such that any water pumped is re-injected into the aquifer? O A water right permit is required for all non-consumptive and consumptive uses of water. How do I obtain a water right permit? o A water right permit can be obtained by filing an application for a new appropriation of water or filing an application to change an existing water right to your project. All applications must meet the statutory requirements for approval. How do I obtain a waiver to drill, sample or test pump a temporary exploratory well to explore for lithium (minerals)? o A waiver to use water to explore for minerals (MM-Waiver) can be requested as outlined in NAC 534.442. One waiver per well, 5 AFA limit per project phase.

- My project is on land managed by a federal agency and I have obtained the necessary federal permits. Do I still need to follow Nevada statutes and regulations?
 Yes.
- What are the possible penalties for someone found to be in violation of water law, regulations, permit terms, orders, or other requirements of the State Engineer?

o Possible penalties after the regulatory process are (per NRS §533.481, §534.193, §535.200, and §536.200):

Payment of an administrative fine not to exceed \$10,000 per day for each violation

 Replacement of not more than 200% of the water used, wasted, or diverted; and/or

 Payment of the costs of the proceeding, including investigative costs and attorney's fees

The goal of NDWR is to conserve, protect and manage Nevada's valuable water resources in a fair and equitable manner by administering and enforcing Nevada's water law. If you have any questions regarding this letter or need further assistance in how you can achieve compliance with these requirements, please contact this office at (775) 684-2800.

Regards,

Tim Wilson, P.E. Manager II Well Drilling Regulation

TW/lr

cc:

Chris C. Mahannah, agent (email)

George Thiel, agent (email)

Michael D. Buschelman, agent (email)

Mark Stock, agent (email)

Nevada Division of Environmental Protection, BMRR, c/o Joe Sawyer, Bureau Chief

Nevada Division of Minerals, c/o Rich Perry, Administrator

Paul Taggart, Esq. (email)

Ross E. de Lipkau, Esq. (email)

Timothy P. Donahoe, SRK Consulting (email)

U.S. Bureau of Land Management, Nevada State Office

U.S. Bureau of Land Management, Tonopah Field Office

Southern Nevada Branch Office

Form 1842-1 (September 2006)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,

AND

2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF APPEAL..... A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the *Notice of Appeal* in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a *Notice of Appeal* in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).

2. WHERE TO FILE

Bureau of Land Management, Tonopah Field Office, P. O. Box 911, 1553 S. Main Street, Tonopah, NV 89049-0911

NOTICE OF APPEAL.....

Regional Solicitor, Pacific Southwest Region, U.S. Department of the Interior, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890

WITH COPY TO SOLICITOR...

3. STATEMENT OF REASONS

Within 30 days after filing the *Notice of Appeal*, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the *Notice of Appeal*, no additional statement is necessary (43 CFR 4.412 and 4.413).

WITH COPY TO SOLICITOR.....

Regional Solicitor, Pacific Southwest Region, U.S. Department of the Interior, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890

4. ADVERSE PARTIES...

Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the *Notice of Appeal*, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

5. PROOF OF SERVICE.....

Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).

6. REQUEST FOR STAY.....

Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits. (3) the likelihood of immediate and irreparable harm if the stay is not granted and (4)

43 CFR SUBPART 1821-GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office ------- Alaska
Arizona State Office ------- Arizona
California State Office ------ California
Colorado State Office ------ Colorado
Eastern States Office ------- Arkansas, Iowa, Louisiana, Minnesota, Missouri and, all States east of the Mississippi River
Idaho State Office ------- Idaho
Montana State Office ------- Montana, North Dakota and South Dakota
Nevada State Office ------- Nevada
New Mexico State Office ------ New Mexico, Kansas, Oklahoma and Texas
Oregon State Office ------- Oregon and Washington
Utah State Office -------- Utah
Wyoming State Office -------- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)

CV-7&8 GeoXplor Corp. Lithium Exploration Drilling Program Biological, Cultural and Paleontological Resources Conditions

Cultural Resources

A cultural resources records check has been performed for the proposed project area. No inventory has been conducted at these locations and there is a strong possibility that sites could be found in the proposed project area. If cultural resources are found, the BLM strongly recommends that GeoXplor Corp. retain the services of an archaeological contractor to avoid damage to cultural resources. The Native American Graves Protection and Repatriation Act (NAGPRA: 43 CFR 10), protects items of cultural patrimony, Native American funerary items, Native American remains and sacred objects. In addition, The Archaeological Resources Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provides for civil and/or criminal penalties for the disturbance of archaeological resources on federal lands and if such disturbance is the result of activities conducted by GeoXplor Corp., they could be liable for such damages. If cultural resources, Native American remains, funerary items, scared items, or objects of cultural patrimony are discovered, GeoXplor Corp. must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow (43 CFR 10.4 (c), (d), (g); Nevada State Protocol Agreement VIII (b)). Notification should be made to Tonopah Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah, NV, 89049, (775-482-7800). No activity in the vicinity of the discovery should resume until GeoXplor Corp. has been issued a Notice to Proceed by the Authorized Officer.

Paleontological Resources

Paleontological resources constitute a fragile and non-renewable scientific record of the history of life on earth. Although no paleontological resources are known or identified in the immediate area, this project may have an unintended adverse effect on such resources. GeoXplor Corp. should note that fossils are not part of the mineral estate. Paleontological resources are protected by the Paleontological Resources Protection Act (OPLA-PRP: Omnibus Public Land Management Act of 2009 Paleontological Resources Preservation Subtitle 123 Stat. 1172, 16 U.S.C. 470aaa et seq.) which establishes criminal and civil penalties. GeoXplor Corp. should also be aware that if paleontological resources are found in direct association with cultural resources, then such occurrences are subject to Archaeological Resource Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provisions. OPLA-PRP requires that the nature and location of paleontological resources on public lands be kept confidential. If paleontological resources are discovered, GeoXplor Corp. must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow. Notification should be made to Tonopah Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah, NV, 89049, (775-482-7800). No activity in the vicinity of the discovery should resume until GeoXplor Corp. has been issued a Notice to Proceed by the Authorized Officer.

Biological Resources

Project area is likely utilized by small mammals (potentially Pale/dark kangaroo mouse) and

IN THE OFFICE OF THE STATE ENGINEER OF NEVADAR AFFIDAVIT OF INTENT
TO ABANDON A WELL

Notice of Intent # DR. ANDY ROBINSON, C.O.O. I, Name & Title ESMERALDA MINERALS, LLC. Company 100 W. LIBERTY ST., 10th FLOOR Address RENO, NEVADA 89501 (604) 961-9932 Telephone Number of the real property located at: Street address (if any) not applicable (Well CV-07) County Assessor Parcel Number (APN) 006-281-02 NW 1/4 Situated within the SE 1/4 Section 32 40 E, M.D.B. & M. Latitude (N):

Longitude (W):

or

\[
\begin{cases}
\text{UTM (m) E:} & 450055 \\
\text{UTM (m) N:} & 4175143
\end{cases}
\] NAD83/WGS84 and whereupon an existing well or wells are located or to be located, fully understand that I shall be responsible for, and shall cause the existing well to be plugged in accordance with the provisions contained in Nevada Administrative Code (NAC) 534.420 and all other applicable rules and regulations for drilling/plugging wells in the State of Nevada. I shall further make any purchaser of this parcel aware of these conditions. Responsible Party **Andy Robinson** (Printed Name): (Signature): Province of British colombia State of Nevada County of North Von couver Subscribed and sworn to before me on Oct 6, 2016 ANDREA D. JOHNSON **Notary Public** 409 North Dollarton Highway

Signature of Notary Public Required

Notary Seal

North Vancouver, BC, V7G 1M9 778-984-5320



Division of Water Resources Receipt for Payment



Steffen Robertson And Kirsten Inc.

5250 Neil Road Suite 300

Reno, NV 89502

Check #: 1775

Check Date: 10/6/2016

Date Received: 10/24/2016

Receipt #: 27730

FY

Amount

Permit #

Invoice #

Fee Type/Fee desc

Notes

2017

MM-WAIVER \$120.00

- Waivers

COVERS (2) MM-WAIVER

CK TOTAL \$240.00