STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106

October 1, 2015

LKA International Inc. Mr. Kye A. Abraham 3724 47th St. Ct. NW Gig Harbor, WA 98335



OA.GV.fullname Governor

OA.DN.fullname Executive Director

OA.DM.fullname Director

PF.site_name, Permit PF.Id, Annual Fee Invoice and Report Request

PLEASE READ CAREFULLY – ACTION REQUIRED Please attach your COMPLETED written Annual Report and Annual Report Map to this form

Under the terms of your NOI or Reclamation Permit and Colorado Statutes, you must submit Annual Fees and Annual Reports (including a map). You must pay the Annual Fee and submit an Annual Report each year until reclamation responsibility release is granted. The Annual Fee is not a renewal fee. The Fee and Report are for LAST YEAR'S mining and reclamation season, and MUST be paid even if your operation was inactive.

The Annual Report and Fee requirement will be considered submitted when we have received the following components:

- 1. APPROPRIATE ANNUAL FEE
- 2. COMPLETED ANNUAL REPORT
- 3. ASSOCIATED MAP as required by rule

If you have requested reclamation responsibility release from the Division of Reclamation, Mining and Safety (the "Division") but your permit is not released by the anniversary date listed below, the Annual Fee MUST be paid. If the permit is released before the anniversary date, then by Statute, it is not necessary to pay an Annual Fee or submit an Annual Report for that year.

Division records indicate the \$518.00 fee is due for the following:

Permit: M-1978-091UG
Operation Name: Golden Wonder Mine
Anniversary Date: October 1, 2015

Total Fee Due: \$518.00 (Due on or before your Anniversary Date)

Return the enclosed <u>Annual Report FORM</u>, a <u>MAP</u>, and a <u>CHECK</u> or <u>MONEY ORDER</u> made payable to: Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. If your records indicate these documents and fees have already been submitted, please notify the Division.

If you have additional comments and/or information that should be provided to the Division, please provide it below or attach it to this form along with your written report and map. Annual Report instructions are enclosed. If you have any questions, please feel free to contact ST.MineralTeam. Thank you for your cooperation in this matter.

IF THE ANNUAL FEE SUBMITTALS ARE NOT RECEIVED ON OR BEFORE YOUR ANNIVERSARY DATE, THE ENFORCEMENT PROCESS WILL BE AUTOMATICALLY INIATIED. ENFORCMENT ACTIONS MAY RESULT IN CIVIL PENALTIES AND/OR REVOCATION OF YOUR PERMIT.

PF.permit_type Annual Report

Permittee Name:	LKA International Inc.	Permit Number:	M-1978-091UG
Operation Name:	Golden Wonder Mine	County:	Hinsdale
Annual Fee Due:	\$518.00	Anniversary Date:	October 1, 2015
Permit Acreage:	3.5	Current Bond Amt:	\$99,082.00

According to C.R.S. 34-32.5-116 or 34-32-116, each year, on the anniversary date of the permit, an operator shall submit the Annual Fee, an Annual Report and map showing the extent of current disturbances to affected land, required monitoring information, reclamation accomplished to date and during the preceding year, any new disturbance that is anticipated to occur during the upcoming year, any reclamation that will be performed during the upcoming year, the dates for the beginning of active operations, and the date active operations ceased for the year.

Information contained in this report will be reviewed by the Division upon receipt and prior to the next compliance inspection of the site. If, while completing this report, you learn that your site is not in compliance with the rules and the act, it is advisable that the issues be rectified promptly to avoid possible enforcement action.

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1.	Is the site identif	he site identification sign posted in accordance with Rule 3.1.12(1).						Y	ES	NO	
2.	Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).					Y	ES	NO			
3.	Is the mine site in final reclamation (all material extraction and stockpile removal is complete) If "YES," please note time limits related to completion of reclamation, Rule 3.1.3.						ete)? Y	ES	NO		
4.	What was the date of last excavation, processing or hauling activity at the mine?										
5.	5. Does the mine operate more than 180 days per year If "NO", please review Rule 1.13 to assure that your mine is in compliance.							Y	ES	NO	
6.	a) approval of TEMPORARY CESSATION Status?b) approval for INTERMITTENT OPERATION?							ES ES	NO NO		
7.	. Number of acres currently affected (mining + incomplete and or unreleased reclamation).										
8.	. Number of acres that were newly affected during the current report year.										
9.	Number of acres that were reclaimed during the current report year.										
10.	Estimated new a	creage to b	e affected	l in the next i	eport	year.					
11.	Estimated acres	to be reclai	imed in th	e next report	year.						
12.	Total acres in va	arious stag	es of recla	mation, sinc	e perm	nitted mining activ	ities beg	an:			
	Total acres		Total ac		-	Total acres		Total	acres		
	backfilled:		seeded v	w/		w/topsoil		mulch	ed w/		
			approve	d mix:		replaced:		approv	ved mulch:		
	Total acres		Total ac			Topsoil		Mulch app			
	graded: fertilized w/		d w/		replacement	rate (tons		ons):			
			apvd fer			depth (in.):	,		T		
	Seed			Fertilizer			Mulc				
	application		application	ı			cation				
	method:	1		method:	1		meth	od·	İ		

	3. Is weed control being conducted in accordance with an approved Weed Control Plan? YES NO N/A If "YES", indicate the weed species, control area, control type, application rate and treatment date on the report map						
14. Is adequate topsoil re If "NO", please expla	our approved permit?	YES	NO	N/A			
15. Is the reserved topsoi If "NO" please expla	ce with Rule 3.1.9(1)?	YES	NO	N/A			
16. If mining has exposed groundwater, is the site in compliance with the approved mining plan and Office of the Engineer (Well Permit, S.W.S.P., and/or Permanent Augmentation Plan)? YES NO							
17. Are all hazardous ma	l containment structures?	YES	NO	N/A			
18. Is your financial warn	cost to complete reclamation?	YES	NO	N/A			
19. Is your basis for legal		YES	NO				
20. Does your permit req If "Yes", please attac	ormation annually? to this Annual Report.	YES	NO	N/A			
permit boundary, cur UPDATED MAP AT	rent affected area boundary and lo TACHED: the following permittee contact in	16), attach a map to this report that accation of the acreages specified in iteration. If this information is not of	ns 7- 12	and 14			
Permittee Contact:	Mr. Kye A. Abraham						
Permittee Company:	LKA International Inc.						
Address:	3724 47 th St., Ct. NW Gig Harbor, WA 98335						
Phone Number:	253-851-7486						
Fax Number:	253-851-5449						
Email Address:	CF.PR.email						
being conducted in accord	dance with the Division approved			site ope	rations are		
Signature of Permittee,	<u>Corporate Officer, Owner,</u> or <u>D</u>	ocumentea Designee	Date				