

1313 Sherman Street, Room 215 Denver, CO 80203

August 23, 2016

Mr. Charles R. Ponchak 15292 6050 Road Montrose, CO 81403

Re: 42 MWT Mining Company, Ltd., Ruby trust Mine, Permit No.M-1979-181, Geochemical Analysis Results for Waste Rock.

Dear Mr. Ponchak,

The Division of Reclamation, Mining and Safety (DRMS) has reviewed the ACZ Laboratory results for the mine development rock stockpiles located offsite adjacent to the access road to the Ruby Trust Mine. The results indicate that the waste rock is in fact inert and therefore not likely to have any impact to surface or ground water quality.

Please provide a signed affidavit from Ouray County that demonstrates that an agreement is in fact in place with the mining operation for use of the development rock material on county maintained roads.

In order for the operator to continue providing mine development rock to the county for road maintenance a technical revision must be submitted and approved. The technical revision must specify that mine generated material cannot be stockpiled off-site and the county must retrieve the material from within the Ruby Trust Mine permit area.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, telephone no. 970.241.2042.

Sincerely,

Travis Marshall Environmental Protection Specialist

cc: Mickey Tiner 42 Mining Company Ltd. 300 E. Commerce Street Jacksonville, TX 75766

