

CRG Mining LLC
510 South Wisconsin St.
Gunnison, CO 81230

January 31, 2017

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DIVISION OF RECLAMATION
MINING AND SAFETY

Dustin Czaplá
Environmental Protection Specialist
Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, CO 81501

Re: Upper Gold Links Mine, File No. M-2016-083, Request for Conditional Approval, and
Commitment Regarding Initiation of Mining-related Activity

Dear Mr. Czaplá,

Thank you for the recent phone call in which you informed us about the Division's need to postpone the full approval of our application until a pre-operation inspection has been performed. The site is currently buried in snow and will not be accessible until springtime, and we would not commence mining until it is open anyway.

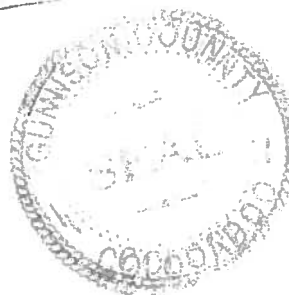
We have addressed the Division's outstanding technical adequacy concerns, and anticipate a favorable decision from the Division. We therefore are now beginning to arrange for the needed numbers and skills of miners to operate the site. However, delaying the application decision does not allow us to firmly commit to hire the necessary miners, and we risk losing many of them (to other jobs). This would have a serious impact on our ability to operate in 2017, by affecting staffing and finances.

We propose and request that you consider a "conditional approval" of the application, based on our commitment to not engage in any onsite mining-related activities until an authorization to proceed with mining has been received from the Division. We will continue to address any further adequacy concerns, and post a suitable financial warranty, in order to secure the permit. In the coming months we will monitor the site for accessibility. As soon as ground conditions allow, we can contact you to come and perform a site visit, in order for you to be able to issue the authorization to proceed.

Hopefully this commitment will allow you to move forward with a conditional approval of the application, sooner rather than later. Please contact us if further commitment or clarification is needed.

Sincerely,


Robert Gydesen
Mine Manager



Rec'd 1/31/17
