Pinon Ridge Mining LLC PO Box 825 31161 Highway 90 Nucla, CO 81424

August 1st 2018

Colorado Division of Reclamation Mining and Safety 1313 Sherman St. Room 215 Denver, CO 80203

Sunday Mine – Permit No. M-1977-285

Per our meeting on March 28th, the DRMS expressed concerns of the stock pile at the Sunday Mine, requesting that Pinon Ridge characterize the waste rock. Pinon Ridge Mining has agreed to sample the surface waste rock pile. We will be using an XRM hand held unit. The concerned area will consist of 40 x 40 ft. blocks, taking five different samples in each of those blocks to get an average of the value of grade.

Pinon Ridge will commence the project early October. The project will be completed and the findings submitted by the end of the month.

Mike Rutter

Vice President, Operations

