

Eschberger - DNR, Amy <amy.eschberger@state.co.us>

Fri, May 8, 2020 at 12:13 PM

#### Cross Gold Mine, Permit No. M-1977-410, Incomplete Application for Transfer of Permit and

mittasch@optonline.net <mittasch@optonline.net> To: "Eschberger - DNR, Amy" <amy.eschberger@state.co.us> Amy

As the files shown above, I have modified our successor operation documents for your review, as well I have included the structure agreement notarized and filled out.

I have mailed the originals to Your office (Tracking Number: 70183090000179714403) as stated in paragraph 1 of the incomplete application letter sent on April 30th 2020

I have changed all incorrect INC. to the appropriate LLC I've also had as stated in paragraph 2 the notarizing parties are the parties listed with the Secretary of State

also as we discussed earlier we removed Tom (2) from the Secretary of State file, Thank you for helping us out with that oversight.

we are still working on the other structure agreements with the third party property owners I will keep you apprised as that is moving forward.

if there's anything else you need for me please do not hesitate to call it wright

yours respectfully,

Richard Mittasch

#### 2 attachments



DRMS Structure Agreement M-1977-410 5-6-2020.pdf 3580K

M1977410 Cross Mine Application Succession of Operator 5-7-2020 .pdf 268K

## 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



# APPLICATION FORM FOR TRANSFER OF MINERAL PERMIT AND SUCCESSION OF OPERATORS

#### **ADMINISTRATIVE INFORMATION**

Permit Information
Permit Number: M-1977-410
Operation Name: Cross Gold Mine
Permittee Information
Contact Person: Richard Mittasch
Company Name: Calais Resources Colorado, Inc.
Street Address: 4415 Caribou Rd. P.O. Box 3395
City: Nederland
State: CO Zip: 80466
Phone: (720) 893.3749
Email (optional): rmittasch@nedmining.com
Prospective Successor Information
Contact Person: Richard Mittasch
Company Name: Grand Island Resources, LLC.
Street Address: 4415 Caribou Rd. P.O. Box 3395
City: Nederland
State: CO Zip: 80466
Phone: ( 720 ) 893.3749
Email (optional): Admin@nedmining.com

Other Reclamation Perm	nits held by Prospective Successor (if applicable):
As explained above, the decision on an Application Financial Warranty before one of the following two	Permittee and Prospective Successor may waive their right to receive a on within 30 days in order to allow the Division to calculate the required re issuing its decision. Permittee and Prospective Successor must initial options to designate their choice. If Permittee and Prospective the Division will render its decision within 30 days.
Permittee Prospective Successor	I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to <u>WAIVE MY RIGHT</u> TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.
Permittee Do Prospective Successor	I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to MAINTAIN MY RIGHT TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.

The Prospective Successor must provide an adequate Financial Warranty or conditional replacement Financial Warranty, consistent with the designation above. Hard Rock and Construction Materials Rule 4.3 describes the various acceptable types of Financial Warranties. Each Financial Warranty must be submitted on the Board's approved forms (available online at http://mining.state.co.us/Mineral%20Forms.htm).

#### **DUE DILIGENCE CERTIFICATION**

The Board wishes to ensure that Prospective Successors are fully informed of their duties and obligations should they become Successor to the Permit. Accordingly, the Prospective Successor must carefully review the items below and must initial indicating its agreement and understanding.



If the Application is approved, the Prospective Successor will assume all liability for the reclamation of the affected land, and for compliance with the Hard Rock Act and Rules or the Construction Materials Act and Rules, as applicable (available online at <a href="http://mining.state.co.us/Rules%20and%20Regs.htm">http://mining.state.co.us/Rules%20and%20Regs.htm</a>). Successor will be liable for any pre-existing conditions or violations, whether known or unknown at the time of the SO. It is the Prospective Successor's sole responsibility to investigate the operation prior to filing an Application.



If the Application is approved, the Successor will be solely responsible for maintaining the mining and reclamation operations in compliance with the Reclamation Permit. The Permit includes the original approved Application, along with any and all subsequent revisions, amendments, and conversions thereto. It is not uncommon for a Permit to include dozens of documents that span many years. It is the Successor's sole responsibility to obtain a full and complete copy of the Permit and to understand the extent of his/her/its obligations thereunder. Permit documents may be purchased from the Division of Reclamation, Mining and Safety (the "Division") upon request or viewed on the Division's website at <a href="http://drmsweblink.state.co.us/drmsweblink/search.aspx?dbid=0">http://drmsweblink.state.co.us/drmsweblink/search.aspx?dbid=0</a>



If the Application is approved, the Successor must submit Annual Fees and Annual Reports to the Division on the anniversary date of the Reclamation Permit. For hard rock and designated mining operations, consult C.R.S. § 34-32-127(2) for the amount of the Annual Fee. For construction materials operations, consult the C.R.S. § 34-32.5-125 for the amount of the Annual Fee. Required annual reporting information is described in Hard Rock and Construction Materials Rule 1.15 and in the Annual Report Form provided by the Division. Failure to submit Annual Fees or Annual Reports may result in enforcement action.

Construction Materials (C.R.S. § 34-32.5-101 *et. seq.*) ("Construction Materials Act") and associated Rules (2 C.C.R. 407-4) ("Construction Materials Rules"), with respect to any other operation conducted by the Prospective Successor in the State of Colorado.

Permittee and Prospective Successor hereby request that the Mined Land Reclamation Board ("Board") approves their SO Application, recognizes the Prospective Successor as Successor Operator under the Permit, accepts the Prospective Successor's Performance and Financial Warranties, and releases the current Permittee's Performance and Financial Warranties.

Financial Warranties, and releases the current Permittee's Performance and Financial Warranties. SIGNED, SEALED AND DATED this / day of MM, 2020, \_\_\_\_. PROSPECTIVE SUCCESSOR **PERMITTEE** Calais Resources Colorado, Inc. Grand Island Resources, LLC. Name of Permittee Name of Prospective Successor Signature of Officer NOTARY FOR PERMITTEE COUNTY OF MASSAU The foregoing instrument was acknowledged before me this 1 day of Moy, 2020 by RICHTARD MITTASCH as COUNTY DIRECTOR OF CALAIS RESOURCES COLORADO Notary Public \_ J \_\_\_\_\_\_ My Commission Expires

TAHMINA KHATUN
Notary Public, State of New York
NO.01KH6309400
Qualified in Nassau County
Commission Expires August 11, 20

# <u>APPLICANTS' AGREEMENT TO REQUEST TRANSFER</u> OF MINERAL PERMIT AND SUCCESSION OF OPERATORS

		Permit Number M-1977-41	("Permit")
was granted to Calais Resour			("Permittee"),
pursuant to which Peri	nit, Permittee has	engaged in a mining op	peration located in
Boulder Count	y, Colorado.		
WHEREAS, The Permit Technical Revisions and/o		orates any and all subsec	quent Amendments,
WHEREAS, Permittee wiresponsibilities to Grand Isla		ire Permit, along with all a	ssociated rights and ("Prospective
Successor"), and Prospecti	ve Successor wishes to	become Successor Permitte	ee under the Permit.
WHEREAS, Prospective Stully aware of the condition		d the mining and reclamation	on operations and is

WHEREAS, Prospective Successor understands that the Reclamation Plan (the "Plan") is an integral part of the Permit and is required by law. Prospective Successor has had an opportunity to thoroughly review the Plan, understands that the Plan has not been completed and that, if Prospective Successor becomes Successor, he/she/it will assume full responsibility for the completion of the Plan.

NOW THEREFORE, Permittee and Prospective Successor hereby agree, for their own benefit and for the benefit of the State, as follows:

Prospective Successor agrees to accept all of the conditions of the Permit, including the condition that the operation remains in compliance with all applicable laws and regulations, and to perform all of the obligations of the Permittee under the Permit.

Prospective Successor agrees to complete the Plan, and to assume all liability for the same, as to all areas presently disturbed, as well as to all areas hereafter disturbed.

Prospective Successor agrees to submit to the Division of Reclamation, Mining and Safety ("Division"), Performance and Financial Warranties, as required by applicable law and regulations, which will be substituted for the Performance and Financial Warranties previously filed by the Permittee, if and when the Division approves a Transfer of Mineral Permit and Succession of Operators ("SO") and releases the latter Warranties.

Prospective Successor represents to the State that, to the best of its knowledge, information and belief, it is not in violation of any of the provisions of the Mined Land Reclamation Act (C.R.S. § 34-32-101 *et. seq.*) ("Hard Rock Act") and associated Rules (2 C.C.R. 407-1) ("Hard Rock Rules") or the Land Reclamation Act for the Extraction of

### 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



#### **PERFORMANCE WARRANTY**

Operator:	Grand Island Resources, LLC.
Operation:	Cross Gold Mine
Permit Number:	M-1977-410
the Mined Land associated Rules Extraction of Co Act") and associate or modification warranty being invalid performation	een approved by the Mined Land Reclamation Board ("Board") pursuant to define Reclamation Act (C.R.S. § 34-32-101 et. seq.) ("Hard Rock Act") and (2 C.C.R. 407-1) ("Hard Rock Rules") and the Land Reclamation Act for the instruction Materials (C.R.S. § 34-32.5-101 et. seq.) ("Construction Materials ated Rules (2 C.C.R. 407-4) ("Construction Materials Rules"). Any alteration of this form, without approval by the Board shall result in the performance invalid and result in the voiding of any permit issued in conjunction with such ince warranty and subject the operator to cease and desist orders and civil erating without a permit pursuant to sections 34-32-123, C.R.S. of the Hard -32.5-123, C.R.S. of Construction Materials Act.
KNOW ALL ME	EN BY THESE PRESENTS, THAT:
"Hardrock Act") Construction Ma amended (collect Reclamation Boa	AS, the Colorado Mined Land Reclamation Act, C.R.S. § 34-32-101 et seq. (the as amended, and the Colorado Land Reclamation Act for the Extraction of atterials, C.R.S. § 34-32.5-101 et seq. (the "Construction Materials Act"), as tively the "Acts"), provide that no permit may be issued until the Mined Land and (the "Board") receives a performance warranty consisting of the Operator's to comply with the requirements of the Hardrock or Construction Materials Act, licable.
	AS, Grand Island Resources, LLC. (the "Operator"), has applied for a ct a mining operation known as Cross Gold Mine
	on certain lands in Boulder County, Colorado. These ed in the permit application, as amended and supplemented, and are referred to fected Lands."
	AS, in its application for the permit, the Operator has agreed to be bound by all the Hardrock or Construction Materials Act and all applicable rules and

regulations of the Board, as amended from time to time.

#### NOTARY FOR PROSPECTIVE SUCCESSOR

	NOTARY FOR PROSPECTIVE SUCCESSOR  NOTARY FOR PROSPECTIVE SUCCESSOR  PUBLIC STANDARY  SS.:  YOF JEFFEYSON  SS.:
Th by <u>DCA</u>	ne foregoing instrument was acknowledged before me this 5 day of May, 2020,  Notary Public My Commission Expires 318123
	STATE APPROVAL [for completion by Division]
(a)	The Board hereby approves the transfer of permit number from to
•	The Board hereby recognizes as Successor Operator under such Permit.
i	The Board hereby accepts the Performance and Financial Warranties submitted by Successor and hereby releases, as former Permittee from all obligations under its Performance and Financial Warranties. The Board further releases all affected financial warrantors from obligations under Financial Warranties associated with the former Permittee.
DEPAR MINED	OF COLORADO TMENT OF NATURAL RESOURCES LAND RECLAMATION BOARD ON OF RECLAMATION, MINING AND SAFETY
Ву:	Date Executed: Division Director

WHEREAS, the Operator hereby gives the Board this performance warranty pursuant to C.R.S. §§ 34-32-117(2) or 34-32.5-117(2), and herein promises the Board that it will comply with all applicable requirements of the Hardrock or Construction Materials Act.

NOW, THEREFORE, The Operator hereby promises the Board that it will comply with all applicable requirements of the Hard Rock or Construction Materials Act and applicable rules and regulations of the Board.

The Operator hereby promises the Board that it will comply with all of the terms of the application for a permit, as amended and supplemented, as well as any conditions attached to the permit by the Board.

The Operator promises the Board, pursuant to C.R.S. §§ 34-32-112(1)(d) or 34-32.5-112(1)(b)(IV), that it has the lawful authority to enter upon the Affected Lands to conduct mining operations, including, but not limited to, reclamation. The Operator further recognizes the right of the Board to enter to reclaim lands affected by the Operation.

The description of lands herein is for convenience of reference only, and no error in such description, revision of the permitted mining area, or disturbance by the Operator of lands outside of the permitted mining area shall alter or diminish the Operator's obligation hereunder, which shall extend to the reclamation of all such lands disturbed.

The obligation of the Operator hereunder is such that, if the Operator shall successfully comply with the requirements of the Hardrock or Construction Materials Act, applicable rules and regulations, and the permit, then the Board, upon a finding that the Operator has so complied, shall release this performance warranty, and the Operator from its obligation hereunder. The obligation of the Operator hereunder shall continue until released by the Board in accordance with applicable law.

The Operator promises to be responsible for the cost of reclamation up to the amount established by the Board and has attached hereto its financial warranty, in accordance with C.R.S. §§ 34-32-117(3) or 34-32.5-117(3). The Operator agrees that it will maintain a financial warranty (or warranties) covering the Board's estimated costs of reclamation in good standing for the entire life of the permit. If the Operator is a unit of County or Municipal government, or is a department or division of State government, the Operator is not required to submit or post any other instrument of financial responsibility but hereby promises to be responsible for the cost of reclamation up to the amount specified by the Board.

If the Board determines that the Operator is in default under this performance warranty and has failed to cure such default, although written notice of such default and ample time to cure such default have been given, the Operator's financial warranty shall be subject to forfeiture.

This performance warranty may be executed in multiple copies, each of which shall be treated as an original, but together they constitute only one agreement, the validity and interpretation of which shall be governed by the laws of the State of Colorado. The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

	AND DATED this 5	day of	.2020
•	NOTARIZATION OF OPERAT	J. TAKAM)  EXEC UP of GRAV  FOR'S ACKNOWLEDGEMENT	(SEAL)  NOTARY ID #61952, NOTARY ID #61952, NOTARY
The foregoing insti	rument was acknowledged before as Seni's E	ne this 5 day of MCI (Notary Public Motary P	1,2020, FSLANDID RESOURCES LLC TMJ SIPPELA 123
STATE OF COLORADO DEPARTMENT OF NA MINED LAND RECLAI DIVISION OF RECLAI	TURAL RESOURCES	TY	
By:Divis	sion Director	Date Executed:	

Rev. 05/12

An example Structure Agreement which meets the requirements of the Statutes is shown below.	
**************************************	<b>k</b> >

#### **Structure Agreement**

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

- a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or
- b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
- c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. ( *Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20*)

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

1.	Please See DRMS Structure Agreement Appendix (1)
2.	
3.	
4.	
5.	
5.	(Please list additional structures on a senarate nage)

#### **CERTIFICATION**

The Applicant, Grand Island Resources, LLC	(print applicant/company name),
by Daniel Takami (print representative's name), as Ser	ior executive vice president (print
representative's title), does hereby certify that Grand Island Reso	urces, LLC (structure owner) shall
be compensated for any damage from the proposed mining operation	n to the above listed structure(s)
located on or within 200 feet of the proposed affected area described	within Exhibit A, of the Reclamation
Permit Application for Grand Island Resources, LLC	(operation name),
File Number M-197-410.	
This form has been approved by the Colorado Mined Land authority under the Colorado Land Reclamation Act for the Extra the Colorado Mined Land Reclamation Act for Hard Rock, Metal, Any alteration or modification to this form shall result in voiding to the Colorado Mined Land Reclamation Act for Hard Rock, Metal, Any alteration or modification to this form shall result in voiding to the Colorado Mined Land Reclamation Act for Hard Rock, Metal, Any London Reclamation Mined Land	ction of Construction Materials and and Designated Mining Operations. this form.
NOTARY FOR PERMIT APPLI	CANI
ACKNOWLEGED BY:	DITTE
Applicant Grand island Resources, LLC Representative Nar	ne Daniel Takami
Date May 7, 2020 Title Senior exe	cutive vice president
STATE OF YPITM(KY)	
COUNTY OF JEFFEISIN) ss.	
The foregoing was acknowledged before me this 7 day of MINI as Senior Executive UP of GEN	1), 2020, by up Islum of Resources LLC
Notary Public My Commission Expires:	3/18/23
PUBLIC SOMESSION EXPIRES WITH AT LARGE WHITE THE PROPERTY OF T	
OTARY	
PUBLIC S	
COMMISSION EXPIRES WITH	

#### NOTARY FOR STRUCTURE OWNER

	ACKNOWLEGED BY:
	Structure Owner Grand Island Resources, LLC Name Daniel Takami
	Date 5/7/2020 Title Senior executive vice president
	STATE OF KENTYCKY)
	COUNTY OF JEFFISIA) ss.
) (an	The foregoing was acknowledged before me this 7 day of MAY, 2020, by  NEL TOKOMI as Similar executive UP of GRAND ISLAND RESOURCES CLC
	Notary Public Det My Commission Expires: 3118123
	NOTARY ID #619657 NOTARY LIPOTHER NOTARY AUBLIC
	ARGE. KENTURAN AND AND AND AND AND AND AND AND AND A



#### **Cross Gold Mine**

As of May, 6 2020

Appendix (1)

M-1977-410

The following structures are located on or within 200 feet of the proposed affected area:

				GF	<u> </u>
Structure #	Structure Naame	Structure Description	Structure Dimensions	Latitude (N)	Longitude (W)
1	Pond 3A	Caribou Settling Pond	12' x 30'	39.979161	-105.572784
2	Pond 3B	Caribou Settling Pond	15' x 35'	39.979101	-105.572673
3	Pond 3C	Caribou Settling Pond	32' x 40'	39.978909	-105.572621
4	Caribou Mine Shop	Primary interior workspace at the Caribou Mine	31'6" x 82'	39.979333	-105.572427
5	Caribou Fuel Shed	Fuel and HAZMAT storage	15'6" x 28'	39.979296	-105.571581
6	Caribou Ore Dump	Heavy equipment loading ramp	35' x 18'	39.979078	-105.571903
7	Caribou Property Gate	Primary entrance to the Caribou  Mine parking lot	25'	39.979127	-105.571274
8	Portal - Idaho Tunnel	Primary point of entry to the Caribou Mine, currently under	10' x 10'	39.978052	-105.572228
9	Cross Mine Shop	Primary interior workspace at the Cross Mine	48'2" x 47'3"	39.978044	-105.570901
10	Storage Magazine	Expired explosives	10'4" x 8'6"	39.978697	-105.571477
11	Winter Road Gate	Secondary Access to Property	12'6"	39.978818	-105.573978
12	Pond 1	Cross Mine Settling Pond	28' x 54'	39.978269	-105.572311
13	Pond 2	Cross Mine Settling Pond	61' x 113'	39.978409	-105.571628
14	Discharge Shed 1	Discharge Monitoring Equipment	12' x 5'5"	39.978086	-105.571456
15	Discharge Shed 2	Discharge Monitoring Equipment	8' x 4'	39.978106	-105.571618

313 -105.57200 223 -105.57261 393 -105.57197 355 -105.57131 346 -105.57184 367 -105.57186
-105.57197 355 -105.57131 346 -105.57184 367 -105.57186
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	Water System Plumbing			
29	Segment 1	6" PVC	35'	
30	Segment 2	8" PVC	208'	
31	Segment 3	8" PVC	90'	
32	Segment 4	8" DRISCO	229'	
33	Segment 5	8" PVC	90'	
34	Segment 6	6" PVC	125'	
35				
36				



