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September 27, 2021

Peter Hays

Division of Reclamation Mining and Safety

1313 Sherman Street, Room 213

Denver, CO 80203

RE: M-2021-007 Salisbury Gladstone LLC, Gladstone Toll Mill
Mill agreements process

Dear Mr. Hays,

Gladstone secured the services of attorney Mr. Roger Theis of Morris, Laing, Evans, Brock & Kennedy to draft the mill agreements. Feedstock is transported to the mill only after the following process is completed and all tests results and permits are provided to Gladstone.

1. Gladstone will first determine the chemical composition of the feedstock, concentrate, and byproduct under the terms of the Geochemical Analysis Agreement.
2. Depending on the test results, Gladstone will decide whether or not to enter into a Toll Milling Agreement. The test results may determine that Gladstone doesn't want to have anything to do with processing the feedstock, and that will be the end. It is also possible that the concentrate characterization indicates to the Feedstock owner that it is not economically viable for processing.
3. If the test results show that the byproduct will not qualify for a BUD, then under section 5 of the Toll Milling Agreement the byproduct will be disposed of at a disposal site agreed to by both parties in the Term Sheet, at the customer's expense.
4. If the test results show that the byproduct should qualify for a BUD, then Gladstone can enter into the Byproduct Purchase Agreement at the time it enters into the Toll Milling Agreement. The Byproduct Purchase Agreement requires Gladstone to apply for a BUD at the customer's expense. If Gladstone ultimately gets a BUD, then it will purchase the byproduct and can resell it or use it as allowed by the BUD. If Gladstone ultimately does not get a BUD, then Gladstone may nullify the Byproduct Purchase Agreement, the assignment of the byproduct to Gladstone is null and void, and the byproduct gets disposed of at the disposal site shown in the Term Sheet of the Toll Milling Agreement.

The Toll Milling Agreement may be executed after Condition 3 or Condition 4 above. Condition 3 requires that the Customer retain ownership of the Byproduct and dispose of it at the disposal site agreed to in the Toll Milling Agreement with appropriate handling, chain of custody and transportation at the Customer's expense. Condition 4 is the objective and purpose of the mill where the Feedstock becomes an economic benefit as construction material.

In addition, as presented in the Mill Plan, feedstock material will be geochemically characterized every 20K ton in order to detect geochemical changes, should they occur, during the duration of feedstock milling.

Please feel free to contact me directly with any further questions.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Angela M. Bellantoni".

Angela M. Bellantoni Ph.D.

Cc: Jeff Carter, Salisbury Gladstone LLC