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July 5, 2023

Lucas West
Environmental Protection Specialist
Minerals Program, DRMS
1001 E 62nd Avenue, Room 215
Denver CO 80216

RE: Golden Wonder Mine – Permit: M-1978-091-UG

Site Monitoring Report – 2nd Quarter 2023

Mr. West,

Overnight temperatures at the mine site were unusually low until mid-June this year. After a couple of verbal reports from Landon Whinnery in May and early June (Landon treated water for us in 2022 but I became convinced that he could not reliably commit to another season) I asked a former Hinsdale County supervisor, George Hurd, to go up to the site to assess and report conditions. Hurd did this on 6/23/23.

As you can see from the attached site pics, both ponds were near capacity but we noticed no signs of overflow. Without a reliable replacement for Whinnery, I immediately made arrangements for my wife and myself to travel to Lake City and begin water treatment personally. We arrived on site the morning of the 25th and spent two days repairing water lines and equipment. Repair is a normal part of the process for the first treatment of the season.

We filled, and treated, the first 5,000 gallon tank on Monday the 26th from the mine water pond and allowed it to settle overnight. The next day the pH was re-checked, a sample was taken, and it was discharged. Not knowing anybody we could hire on short notice to complete the process at the rate of 5,000 gallons per day, I decided to treat both ponds separately without using the main treatment tank. Knowing the close-approximate volume of each pond based on our completed construction design, and the required dose of reagents (per gallon), I was confident this could be done effectively and was our best option to ensure that we could drain, or nearly drain, both ponds and buy sufficient time to find another qualified person to treat water.

By Thursday the 29th both ponds had been treated with soda ash, Nalmet, and T-Floc, thoroughly mixed with pumps for several hours, and left to settle overnight. On Friday we confirmed that the pH level of both ponds were significantly above the minimum requirement (I actually intended to overshoot on the pH to the high side to account for any sludge that may

be inadvertently discharged when pumping directly from the ponds). Samples were taken and both ponds pumped (discharged) down to the observable sludge level.

Most of the remaining sludge from the mine water pond was pumped into the sludge tank on the pad. This pond was nearly pumped dry. The stormwater pond was left with approximately 500 gallons since there was not enough room left in the sludge tank. It too was nearly empty. Total estimated treatment was 35,000 gallons.

The flow from the mine adit was almost non-existent...too low to easily measure. I expect this to increase over July and gradually diminish to nothing by late September. Accordingly, I expect that we have at least 45 days before another treatment is required...depending on local weather of course. We'll continue to keep an eye on it.

Please confirm (email is best) that you received this in good order and let me know promptly if you have any questions or concerns.

Sincerely,

President (Digitally signed and time stamped)

Pictures attached