

Division of Reclamation, Mining & Safety c/o Mr. Patrick Lennberg 1001 E 62nd Ave, Room 215
Denver, CO 80216

RE: Progress Report – Designated Mining Operation Limited Impact Conversion Operation Permit Application Cross Gold Mine, Permit No. M-1977-410

Dear Mr. Lennberg:

In accordance with the Division of Reclamation, Mining and Safety (Division/DRMS), DMO Filing Approval Letter dated March 1, 2023, Item 3 indicating that: "The Operator will submit, in writing, an update on the progress of the application at 180 days of the date of this letter or August 28, 2023."; Grand Island Resources (GIR/Operator) provides the Division with the following progress update of activities completed to date:

- 1. GIR has prepared a Five-Year Operations Business Plan which includes details covering the following a). mine plan; b) site/mine infrastructure; c) equipment requirements; d) permitting updates; e) capital investment requirements; and, f) business plan implementation schedule.
- 2. GIR technical leads have review and catalog more than 700 data and report files covering the following topics: a) geochemistry; b) water chemistry; c) hydrology; d) water effluent; e) water treatment; f) environmental; and g); permitting and regulatory compliance.
- 3. GIR has enabled a cloud-based data room repository for DMO/EPP related files. The folder and file structure is based on applicable DMO rules 1 through 6.
- 4. GIR has prepared a DMO implementation Schedule (Gantt Chart, predecessors, successors, resource allocation and critical path). The schedule also includes a cost estimate with a breakdown structure consistent with DMO rules 1 6 including Rule 6.4 Exhibits A through U
- 5. GIR has short-listed 3rd Party Consultants and Subject Matter Experts to support the DMO, EPP and Permitting analysis, assessment and filing documentation preparation.
- 6. GIR conducts internal technical and strategy meetings in support of DMO advancement.

Respectfully submitted,

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