



**GOLD CANYON  
PARTNERS, LLC**

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**GOLD CANYON PARTNERS**  
1602 W Placita Sin Nieve, Sahuarita, AZ 85629  
10269 Copper Cloud Dr, Reno, NV 89511  
Tel.: (520) 465-8650

August 29, 2023

Mr. Dustin Czalpa  
Environmental Protection Specialist  
Division of Reclamation, Mining and Safety  
1313 Sherman Street, Room 215  
Denver, CO 80203

Dear Mr. Czalpa,

I refer to your e-mail letter of August 16, 2023, as Project Manager at the REX Property in Montrose County, Colorado, and I refer also to the letter from the Sheep Mountain Alliance, dated August 15, 2023 and written by Executive Directors Mason Osgood and Jennifer Thurston.

A response to the letter from Mr. Osgood and Ms. Thurston is the main purpose of this letter. However, you may have observed, as I did, that Mr. Mason's letter is based on some generalized statements concerning use and benefit of the subject area by the general public, which we would not have any issue with, and we do not see any potential conflict as regards land use in the short term. If a mine is to be developed in the future, then Sunrise would seek to ameliorate any impacts by implementation of appropriate mitigation measures, potential land swaps, or other accepted mechanisms.

In the near-term Sunrise's activity is entirely exploration-focused, and the presence of many old drill roads certainly facilitates access for drill rigs, and precludes substantive construction of new access roads, which in 2023 Phase 1 should be less than 300 linear ft, and Phase 2 less than 3000 ft. It is, however, sometimes necessary to carry out maintenance of the old existing roads for safety purposes, which benefits all users of these old roads. Sunrise endeavors to carry out all its exploration activity in compliance with the conditions of its exploration permits as stipulated by BLM, DRMS, and CDPHE, or others with appropriate authority.

Please also note that the Long Park area, referred to in Mr. Osgood's letter, is not part of the Sunrise REX property, but which abuts the southwest side of the REX property. Neither the 45-90 Mine (which is on privately owned, patented claims) or the Sunbeam mine area are included in our current scope of mineral exploration activities.

Sunrise is aware of its obligations as regards storm water runoff events and is in the process of preparing a Storm Water Management Plan to support the current drill permit application that is being considered by DRMS and BLM.

As regards the financial warranty of \$19,500, this amount relates to our first drill program of three drill holes which is now completed, and all drill sites have been rehabilitated, and will be seeded with a BLM-approved seed mix. A drill program involving 18 additional drill holes is currently subject to approval. And, we expect the financial warranty will be revised in accordance with the scale of this new program.


We note the concern about the thin biological soil crust which is typical of the arid Southwest. Our drill plan minimizes impacts to the soil profile as we seek to make use of existing roads wherever possible. Our drill sites are kept to a minimal size, typically 100ft x 75ft or less. All topsoil is scraped off and separately stockpiled when preparing a drill site so that it can be replaced when rehabilitating the drill site ready for seeding. In our experience, successful rehabilitation has more to do with the timing of rainfall than any other factor.

Sunrise is aware of the CPW winter Bear, Big Horn, Elk and Mule deer exclusion window during which use of heavy equipment is not allowed. The bulk of Sunrise's activity is between May-November each year. So we do not envisage conflict with hunters.

Finally, the concept of remediation of the historic mine workings and related mining activity would seem to be in conflict with a wish to preserve artifacts of historic interest, and I would like to point out that the reclamation work performed at the Sunbeam mine by other parties is far better than alluded to by Mr. Osgood. I would submit that the reclamation of Sunbeam is, in fact, exemplary of best practices for reclamation of the Uravan Mineral Belt mines. If any of the proposed exploration activity to be undertaken by Sunrise encroaches on an area of historic or ethnological importance then Sunrise will seek nearby suitable alternative sites, or will comply with its obligations to carry out appropriate surveys to document the site(s) before disturbance is considered. BLM normally conducts an historic artifact survey prior to approval of an NOI permit, to wit, the company was notified that a "pile of rocks" may have historical significance and a planned drill site was moved to accommodate that potential disturbance.

I trust that this letter gives some clarification to the matters raised in the above mentioned letters.

Sincerely,

A handwritten signature in dark ink, reading "Rodney A. Blakestad". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Rodney A. Blakestad, J.D., C.P.G., PG/QP  
REX Project Manager, for Sunrise Mineral Inc.