

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 270 days of the date of this letter or November 28, 2023.”; Grand Island Resources (GIR/Operator) provides the Division with the following progress update of activities completed to date:

1. Financial constraints have precluded GIR’s anticipated and scheduled progress on DMO preparation. GIR has continued monthly baseline water sample collection and testing from 2 surface water stations, 3 groundwater wells and 2 discharge points along with water treatment effluent.
2. 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.
3. 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.
4. GIR has enabled a cloud-based data room repository for DMO/EPP related files. The folder and file structure are based on applicable DMO rules 1 through 6.
5. 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
6. GIR has short-listed 3<sup>rd</sup> Party Consultants and Subject Matter Experts to support the DMO, EPP and Permitting analysis, assessment and filing documentation preparation.
7. GIR conducts internal technical and strategy meetings in support of DMO advancement.

Please feel free to contact me should you require further information or discussion regarding this matter.

Respectfully,



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