

Wildcat Mining Corporation
1630 Ringling Blvd.
Sarasota, FL34236

August 23, 2012

Dustin Czapla
Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, CO81501

RECEIVED
AUG 27 2012
GRAND JUNCTION FIELD OFFICE
DIVISION OF
RECLAMATION MINING & SAFETY

Re: Characterization of stope rock from the May Day Idaho Mine Complex (Permit No. M-1981-185)

Dear Mr. Czapla,

Wildcat Mining Corporation ("WMC") has recently completed Phase 1 of the stabilization efforts at the May Day No. 1 portal (as authorized and outlined in TR-01). As a result, WMC is preparing for Phase 2, which among other tasks, includes excavation of up to 5,000 cubic yards of collapsed and broken rock from the main stope of the Level 1 underground workings of the May Day mine. In an effort to characterize this material prior to excavation and disposal on the surface, WMC intends to extract approximately 24 tons of representative material for acid:base accounting (ABA). The 24 ton sample will be placed into super-sacks at the May Day No. 1 portal area for off-site transportation. To reduce the 24 tons of course rock into the appropriate size fraction for ABA analysis (~3/8"), WMC intends to transport the 24 ton sample to a milling facility in Aguilla, Arizona. At the Aguilla mill, the sample will be crushed and a representative split will be collected for ABA analysis. The crushed rock will then be put through the grinding and gravity circuits at Aguilla mill for the purpose of measuring the effectiveness of gravity separation. The small amount of tailings that will be generated from the sample will then be representatively sampled for ABA analysis as well. The separated concentrates, if any, will be delivered to WMC for additional metallurgical tests.

The ABA analysis is expected to be conducted by ACZ Laboratories, Inc. in Steamboat, Colorado. ACZ's laboratory procedures for ABA include the following:

Preparation (method in parentheses)

Air dry at 34° C (USDA No. 1, 1972)
Crush and Pulverize (ring & puck) (EPA-600/2-78-054 3.1.3)
Saturated Paste Extraction (USDA No. 60 - 2)

Analytes (method in parentheses)

Acid Generation Potential (calculate based on Sulfur total) (M600/2-78-054 1.3)
Acid Neutralization Potential (calculate) (M600/2-78-054 1.3)
Acid-Base Potential (calculate based on Sulfur total) (M600/2-78-054 1.3)
Neutralization Potential as CaCO₃ (M600/2-78-054 3.2.3)
pH, Saturated Paste (USDA No. 60 - 21A)
Solids, (Percent) (CLPSOW390, Part F, D-98)
Sulfur Forms (M600/2-78-054 3.2.4-MOD)

WMC anticipates conducting these activities over the course of the next couple weeks. The May Day Idaho Mine Complex has an active MSHA identification number (05-03674) and all personnel on-site are up to date with the required MSHA surface and underground training. The actual extraction of the 24 ton sample, and time spent underground, is expected to be less than 2 days for 3 people.

Also, under separate cover, WMC will be preparing various reports and work plans in support of the Phase 2 components of TR-01 (including the characterization results described herein). Should you have any questions or concerns, please contact me at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Thompson', with a stylized, cursive script.

Mike Thompson
COO, Wildcat Mining Corporation
cell: (970) 426-2924

Ec: Tony Waldron
Russ Means
Penfield Tate