

From: [thomas hendricks](#)
To: [Cunningham, Michael](#)
Cc: [shannonpmurphy@msn.com](#); [dcullity@murphymining.com](#)
Subject: Smuggler Gold Mine NOI Propecting Permit final data requested
Date: Wednesday, September 12, 2012 12:31:10 PM

Dear Michael,

I was over at the Smuggler Gold Mine project early this morning. Steff and I measured the entire historic mine dump, disturbed surface area. This included the entire historic mine dump, upper south terrace area, the portal area and the small saw mill area. We also took into the account the berm area around the saw mill. The entire area affected under the NOI prospecting permit is 32,429 square feet, or .74 of one acre. So less than 3/4 of one acre will be affected by this small prospecting operation. If a small drive in area is left for access to the portal area for long term inspection off the main existing road then you would deduct a road with of 12 feet wide x 140 long for the a total deduction of 1680 sq. feet and the total would then become 30,749 sq. feet or .71 of one acre.

As I previously mentioned, the concrete portal concept is out and not required. The hard rock above the old portal is of excellent strenght and compedent. The area above the old portal will be terraced on a gental slope and a ring berm placed above the portal area. Eight foot x eight foot, in the clear, heavy timber sets and standard lagging will be installed from the hardrock portal out ward for 20 feet. A heavy duty two way door will be constructed on the outside timber set. The timber will be painted with fire proof MSHA paint and danger/keep out signs clearly posted as well as similiar postings and securing around the old Smuggler Mine shaft from the 1930's.

I beleive this fully answers your last concerns or questions.

Sincerely,

Tom Hendricks

Smuggler Gold Mine, LLC: