



April 1, 2013

Mr. Bob Oswald
Colorado Department of Natural Resources
Division of Reclamation, Mining, and Safety
691 CR 233
Suite A-2
Durango, CO 81301



**RE: Rio Grande Silver 2013 Quarter 1 Equity Update
Equity Exploration Project, DRMS NOI No. P-2011-010, Modification MD-2**

Dear Mr. Oswald,

As outlined in the Rio Grande Silver (RGS) letter dated October 11, 2012, we are providing the 2013 Quarter 1 update of project scope and current activities at the Equity Exploration Project.

Currently, data analysis and review of the underground drilling results at the Equity is being undertaken by RGS staff. As a result, field activities at the Equity Mine have been temporarily suspended and the mine has been put on care and maintenance. To date, no waste rock has been brought to surface.

RGS will suspend Synthetic precipitation leaching procedure (SPLP) and Acid-Base Accounting (ABA) sampling and reporting for the Equity Exploration Project until field efforts on the project resume.

Please call me at 719-658-1080 ext. 2701 if you have further questions.

Best Regards,

Randy McClure
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