

**MODIFICATION 16-1 TO PERMIT NO. SI025EM
COPPER FLAT EXPLORATION 2 PROJECT
MINIMAL IMPACT EXPLORATION PROJECT**

**MINING AND MINERALS DIVISION
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

Permit Modification 16-1 (“Modification 16-1”) to Permit No. SI025EM (“Permit”) is issued by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

Whose correct address is: New Mexico Copper Corporation
 4253 Montgomery Blvd. NE, Suite 130
 Albuquerque, New Mexico 87109

(“Permittee”) for the Copper Flat Exploration 2 Project, located in Sierra County, New Mexico.

This Modification 16-1:

- Renews the exploration scope of work approved by Modification 13-1 to the Permit;
- Changes the expiration date of the Permit to August 31, 2017.

In order to accomplish the approval contemplated by this Modification 16-1, the following subparagraphs are added to Permit No. SI025EM:

Section 1 (16-1). STATUTES AND REGULATIONS

- A. This Permit Modification is issued pursuant to the New Mexico Mining Act, NMSA 1978, §69-36-1, et seq. (1993, as amended through 2016) (“Act”) and New Mexico Mining Act Rules, Title 19, Chapter 10 of the New Mexico Administrative Code (“NMAC” or “Rules” or “Regulations”)
- B. This Permit Modification is subject to the Act, the Rules and any other regulations which are now or hereafter in force under the Act; and all such regulations are made a part of this Permit by this reference.

Section 2 (16-1). PERMIT APPLICATION PACKAGE

- A. A written application entitled “Re-Application for Exploration Permit; Copper Flat” dated July 15, 2016 proposing to re-apply for the exact same scope of work as previously approved by MMD through Modification 13-1 to Permit No. SI025EM.

Section 4 (16-1). FINDINGS OF FACT

The Permit Application Package

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- A. The Permittee has paid the application fee of \$500.00 as required by §19.10.2.201 NMAC.
- B. The application for a permit modification has been reviewed in accordance with §19.10.3.302 NMAC and §19.10.4.406 NMAC.
- C. The application for permit modification is complete, accurate, and complies with the requirements for permit modifications under §19.10.4.406 NMAC.
- D. Pursuant to §19.10.4.406.A NMAC, the proposed change would not authorize an expansion of the disturbed area beyond that currently authorized by the Permit.
- E. Pursuant to §19.10.4.406.B NMAC, the proposed change does not alter the approved reclamation plan for the Permit.
- F. Pursuant to §19.10.4.406.C(1) NMAC, the proposed change would not have a significant environmental impact, does not result in a significant increase in the amount of financial assurance, and does not significantly depart from the nature or scale of the Permit.
- G. Pursuant to §19.10.4.406.C(2) NMAC, the application for permit modification was accompanied by sufficient information for the Director to determine whether any of the factors listed in §19.10.4.406 NMAC are present.

MMD's Request for Comments to the Agencies

- H. The Director has provided notice of this permit modification request to other government agencies deemed appropriate, in accordance with §19.10.4.406.C(3) NMAC.

Agency Comments

- I. Agency comments on the application were provided to the Permittee through e-mail on August 22, 2016.

Financial Assurance

- J. Financial assurance in the amount of \$133,200.00 (one hundred thirty-three thousand two hundred dollars) is in place in the form of Certificate of Deposit No. 7658769315 administered by Wells Fargo Bank of Albuquerque, New Mexico, and has been determined by MMD to be sufficient to meet the requirements of the Act, Rules and Permit.

Section 5 (16-1). COMPLIANCE REQUIREMENTS

- A. Portions of the Permit Area are on land managed by the Bureau of Land Management ("BLM"), therefore the expiration or termination of BLM's authorization to conduct

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mining and exploration operations on the property automatically suspends the Permittee's authority to continue mining and exploration operations on the property. Such suspension does not include reclamation operations by the Permit issued under §19.10.3 NMAC.

Section 10 (16-1). GENERAL OBLIGATIONS AND CONDITIONS

- A. Pursuant to §19.10.405.A(1) NMAC, this permit expires on August 31, 2017.
- B. Permittee shall submit a request to renew the permit at least 30 days before the expiration, if Permittee decides to continue exploration and/or reclamation activities beyond the expiration date, pursuant to §19.10.4.405.C(2) NMAC.
- C. At the end of the project, NMCC shall file a termination report based on the requirements of §19.10.4.407 NMAC.

Section 11 (16-1). CONCLUSIONS OF LAW

- A. The request for Permit Modification is complete, accurate and complies with the requirements of the Act and §19.10.3.302 NMAC.

All other provisions contained in the Copper Flat Exploration 2 Project, Permit No. SI025EM, remain unchanged.

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CERTIFICATION

I certify that I have read, understand and will comply with the requirements of the Permit and Permit Modification. I further certify that I am not in violation of the Act or 19.10 NMAC. I also agree to comply with the performance and reclamation standards and requirements of the Permit, the Rules, and the Act, and allow the Director to enter the Permit Area without delay for the purpose of conducting inspections during exploration and reclamation.

J. Smith

Authorized Representative of the Permittee

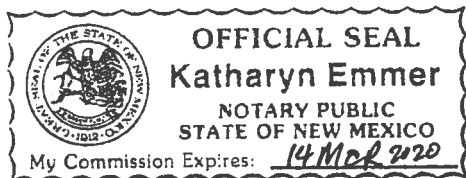
COO

Title

New Mexico Copper Corp

Company Name

Subscribed and sworn to before me this 9th day of September, ~~2013~~ 2016



Katharyn Emmer
Notary Public

My Commission Expires

14 March, 2020

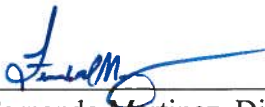
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ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit Modification 16-1 to Permit No. SI025EM, which renews the exploration scope of work approved by Modification 13-1 to Permit No. SI025EM, is approved.

By Order of the Director, Mining and Minerals Division, Energy, Minerals and Natural Resources Department, of the State of New Mexico.

By: 

Fernando Martinez, Director
Mining and Minerals Division
Energy, Minerals and Natural Resources Department

Date: 9/19/2016