Gulf Coast Mining Group, LLC

P.O. Box 5148 Scottsdale, AZ 85261



April 25, 2018

Mr. Mike Thompson New Mexico Mining & Minerals Division State of New Mexico 1220 South St. Francis Drive Sante Fe, NM 87505

Re:

Permit Modification 17-1 Permit No. OT006MN Iron Duke Mine

Dear Mr. Thompson:

In regard to your letter to Gulf Coast Mining Group, LLC (hereafter "GCMG"), dated March 22, 2018, the following are the relevant responses in the order set out in your letter:

- 1. GCMG agrees to the change from 9.12 acres to the set out 6.7 acres in its permit modification.
- 2. GCMG agrees to keep the area of disturbance of the mining operation to the existing 6.7 acres.
- 3. GCMG agrees not to bring any more ore material from the upper stock pile across the BLM strip of land until it obtains a BLM permit.
 - 4. The final assurance held by MMD is now in place as required.
- 5. GCMG agrees to pursue a permit from the BLM for all mining and infrastructurerelated disturbance that currently exists due to this mining operation and to reclaim such areas in the same manner as described in its existing MMD permit.
- 6. GCMG agrees to expand its MMD permit area boundary to encompass such associated BLM-disturbed areas once the BLM permit is approved.

Also, please find enclosed a check in the amount of \$250.00 for the required permit modification fee.

This should then complete all of the requirements from your office for issuance of the modification of the permit to allow for ball mill activities at the Iron Duke Mine. Accordingly, please do so at this time and give GCMG notice of that action.

If you need anything else, please let us know.

Thank you.

GULF COAST MINING GROUP, LLC

Larry L. Lozensky

Its Manager