PART 3 MINIMAL IMPACT EXPLORATION OPERATION

PERMIT APPLICATION

Accompanying instructions for this permit application are available from MMD, and on MMD webpage:

http://www.emnrd.state.nm.us/MMD/MARP/MARPApplicationandReportingForms.htm

Send 6 copies of the completed application to:

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Director

Mining and Minerals Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: (505) 476-3400

Webpage: www.emnrd.state.nm.us/MMD/index.htm

CHECK OFF LIST TO DETERMINE YOUR PROJECT'S STATUS AS A MINIMAL IMPACT EXPLORATION OPERATION:

Yes	☑ No	My project will exceed 1000 cubic yards of excavation, per permit.
Yes	✓No	Surface disturbances for constructed roads, drill pads and mud pits will exceed 5 acres total for my project.
Yes	₽ No	My project is located in or is expected to have a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers reservoirs or riparian areas.
Yes	₽ No	My project is located in designated critical habitat areas as determined in accordance with the federal Endangered Species Act of 1973 or in areas determined by the Department of Game and Fish likely to result in an adverse impact on an endangered species designated in accordance with the Wildlife Conservation Act, Sections 17-2-37 through 17-2-46 NMSA 1978 or by the State Forestry Division for the Endangered Plants Act, section 75-6-1 NMSA 1978.
Yes	₽ No	My project is located in an area designated as Federal Wilderness Area,

		Wilderness Study Area, Area of Critical Environmental Concern, or an area within the National Wild and Scenic River System.
Yes	☑ No	My project is located in a known cemetery or other burial ground.
Yes	✓ No	My project is located in an area with cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties.
Yes	₽ No	My project will or is expected to have a direct impact on ground water that has a total dissolved solids concentration of less than 10,000 mg/L, except exploratory drilling intersecting ground water may be performed as a minimal impact operation.
Yes	₽ No	My project is expected to use or using cyanide, mercury amalgam, heap leaching or dump leaching in its operations.
Yes	✓ No	My project is expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area.
☐ Yes	✓ No	My project requires a variance from any part of the Mining Act Rules as part of the permit application.
-	swer <u>yes</u> to ploration op	any of the above questions, your project <u>does not</u> qualify as a minimal peration.
Confide	ntial Infor	mation
Yes	☑ No	Is any of the information submitted in this application considered by the applicant to be confidential in nature? If yes, please provide this information separately and marked as "confidential."
Timeline		
	•	pplications must be provided no less than 45 days prior to the anticipated tions desired by the applicant.
		lications shall be filed at least 30 days preceding expiration of the current its are valid for one year.

Approved permit is valid for one year from the date of approval.

SECTION 1 – OPERATOR INFORMATION (§304.D.1)

Project Name: Magdalena Tailings Repurposing

Nearest Town To Project: Magdalena, NM

Applicant Name and Contact Information (entity obligated under the Mining Act):

Name: Americas Tailings Inc. (Michael Gingles)

Address: 7902 Glen Ridge Drive

Castle Pines CO 80108

Office Phone: 303-931-8597 Cell Phone: 303-931-8597

Fax Number: N/A Email: mgingles@americastailings.com

Name of On-Site Contact, Representative, or Consultant:

Name: Dr. Andrew Harley

Address: 1151 Evergreen Parkway

Evergreen CO 80439

Office Phone: 720-840-4703 Cell Phone: 720-840-4703

Fax Number: N/A Email: andrewharley@ascensionsoil.com

SECTION 2 – RIGHT TO ENTER INFORMATION (§302.D.1)

A. Describe or attach copies of documents that give the applicant the right to enter the property to conduct the exploration and reclamation, include: lease agreements, access agreements, right of way agreements, surface owner agreements, and claim numbers, if applicable.

The applicant hold rights to enter certain properties, and to conduct exploration and reclamation in areas situated within Sections 24, 25, 35 and 36, Township 2 South, Range 4 West, and Sections 1 and 2, Township 3 South, Range 4 West. The combined property areas in these Sections where the applicant currently holds rights or may hold rights in the future are referred to as the Magdalena Tailings Repurposing Project.

Attachment 1		
	of surface and mineral ownership within nineral, indicate as federal mineral, but	
Surface Estate Owner(s):		
Name	Address	Phone #
U.S. BLM		<u>h</u>
U.S. Forest Service	US Forest Service, 333 Broadway Magdalena Ranger District, 203 F	505-842-3292
State of NM	Wagdaletta (Vallger District, 2001	
■ Private/Corporate	P.O. Box 141	505-205-6742
Name: Tri-Bullion Corp. and its	Magdalena, NM 87825	
Other		
Name:		

Lease Holder(s) of Surface Estate (if applicable):

Name	Address	Phone #
Grace Marie Dobson and Fran	P.O. Box 141	505-205-6742
	Magdalena, NM 87825	
Mineral Estate Owner(s):		
Name	Address	Phone #
Bureau of Land Management		
US Forest Service		Deal Delite
State of NM		
Claim/Lease Holder	P.O. Box 141	505-205-6742
Name: Grace Marie Dobson ar	Magdalena, NM 87825	
Claim Numbers: MS 523A		
■ Claim/Lease Holder	7902 Glen Ridge Dr, Castle Pines	303-931-8597
Name: Americas Tailings Inc.		
Claim Numbers: MS 523A, NMM	C202332	
Other		
	· · · · · · · · · · · · · · · · · · ·	
Name:		

C. Has a Cultural Resource Survey been performed on the site?	Yes	No	
If yes, please provide the author, title, date and report number, as with this application, if possible:	nd include a	copy of the surv	⁄ey
Attachment			
D. Has a wildlife survey or vegetation survey been performed for	the permit a	area?	
Yes No If yes, please provide the author, title, date an copy of the survey with this application, if possible:	d report nun	nber, and include	e a
Attachment			

SECTION 3 – MAPS AND PROJECT LOCATION (§302.D.2)

Township _	2S	Range	4W	Section 30	6
Township	38	Range		Section 2	Wo 198
Township _		Range		Section	
st the drill hol	e/exploration nar	me and the GP	S coordinates fo	r each site.	
I.D. Number	Northing / Latitude	Easting / Longitude	I.D. Number	Northing / Latitude	Easting / Longitude
	Tables in Attac	chment 1			
ee Maps and					

	Are topographic maps included with the application that show the following items:
	Yes – The boundary of the proposed exploration project Permit Area
	■ Yes – The proposed exploration locations (i.e., borehole locations)
	Yes – Existing roads, new roads and overland travel routes
	☐ Yes ■ N/A - Areas of proposed road improvement
٩tt	achments 1
	Are maps or figures included with the application showing the approximate dimensions and locations of drill pads and other disturbances:
	Yes - Drill pad dimensions and constructed drill pad locations
٩tt	achments

C. Provide detailed driving directions to access the site:

Both properties can be accessed via a local paved road (Kelly Road) which originates in the town of Magdalena, Socorro County, New Mexico, at the intersection with Highway 60.

Dobson Property: Heading south 2 miles on Kelly Road, the road takes a left fork and continues eastwards; this section of the road is unpaved. A further 0.5 miles along Kelly Road, the Dobson Properties can be accessed through a road between Kelly Road and Stendel Ridge Road on the left (north side) of the road, and passing through a BLM entry point.

Magdalena South Property: Heading south 2 miles on Kelly Road, the road takes a right fork and continues southwards as Hop Canyon Road. A further 0.4 miles along Hop Canyon Road, the road takes a left fork and continues southwards. A further 0.15 miles along Hop Canyon Road, the Magdalena South Property is located on the left (east side) of the road; this section of the road is unpaved..

SECTION 4 – EXPLORATION DESCRIPTION (§302.D.3 & 4)

A.	Anticipated exploration: Start Date: 04/05/2021 End Date: 04/09/2021
В.	List the mineral(s)/element(s) to be explored for: zinc, silver, agronomic nutrient elemen
 С.	Proposed method(s) of exploration:
	Air drilling (air rotary, coring, etc.):
	# of holesDepth (ft.)Diameter (in.)
	# of drill padsLength (ft.)Width (ft.)
	Will drill pads be graded/bladed or overland: Graded/bladed Overland
	Will drill pads need some mechanical leveling (grading/blading): Yes No
	Approx. Weight of Drill Rig (lbs.) Number of Axles:
	Total length of drill stem that can be carried on the rig:
	Is a support pipe truck anticipated? Yes No Weight (lbs.)
	Weight of support compressor (lbs.):Trailer mounted?
	Anticipated Drilling Contractor: License No
	Mud/fluid drilling:
	# of holesDepth (ft.)Diameter (in.)
	# of drill padsLength (ft.)Width (ft.)
	Will drill pads be graded/bladed or overland: Graded/bladed Overland
	Will drill pads need some mechanical leveling (grading/blading): ☐ Yes ☐ No
	Will a closed loop system be used or will mud/fluid pits be used?

of pitsLength (ft.)Width (ft.)Depth (ft.)
Anticipated excavating equipment:
How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):
Will mud pits be lined?: Yes No
If yes, proposed material to line the mud pits:
Approx. Weight of Drill Rig (lbs.) Number of Axles:
Anticipated Drilling Contractor: License No
Test pits / exploratory trenches:
of pitsLength (ft.)Width (ft.)Depth (ft.)
Anticipated excavating equipment:
How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):
Other methods of exploration (i.e., cuts, shafts, tunnels, adits, declines, blasting, etc.). Indicate method and details:
2" diameter hand auger to maximum depth of 48".

	agre activ	es to perform a gamma ra	diation survey at erator agrees to r	each drill site estore gamm	e elements/minerals, applicant prior to, and after, exploration a radiation levels at each drill
		excess drill cuttings be bur At each drill pad location	ied at each drill si ☐ Within a sin		within a single disposal pit? it
	l	f a <u>single disposal pit</u> is pro	pposed, please pr	ovide the follo	owing:
		Description or GPS coordin N/A	ates of the propo	sed cuttings o	lisposal pit location:
		Dimensions of the single pr	oposed cuttings o	isposal pit (le	ngth, width, and depth):
	-	Length (ft.)		Width (ft.)	Depth (ft.)
(to	conv	vert to acres, multiply tota	al square footag	e of disposa	l pit by 0.0000229)
E.	Othe	er Supporting Equipment (c	heck all that appl	/):	
E.	Othe	er Supporting Equipment (c		/): 1 pickup	
E.		.,		or posterior	
E.		4x4 Trucks/Vehicles	Quantity:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck	Quantity: Weight (lbs.):	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck	Quantity: Weight (lbs.): Weight (lbs.):	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support)	Quantity: Weight (lbs.): Weight (lbs.): Weight (lbs.):	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer	Quantity: Weight (lbs.): Weight (lbs.): Weight (lbs.): Type:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe	Quantity: Weight (lbs.): Weight (lbs.): Weight (lbs.): Type:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe	Quantity: Weight (lbs.): Weight (lbs.): Weight (lbs.): Type: Type:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe Scaper/Grader	Quantity: Weight (lbs.): Weight (lbs.): Type: Type: Type: Type: Type:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe Scaper/Grader Trailers Portable Toilet	Quantity: Weight (lbs.): Weight (lbs.): Weight (lbs.): Type: Type: Type: Type: Quantity/Type:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe Scaper/Grader Trailers Portable Toilet	Quantity: Weight (lbs.): Weight (lbs.): Type: Type: Type: Type: Quantity/Type: Quantity:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe Scaper/Grader Trailers Portable Toilet	Quantity: Weight (lbs.): Weight (lbs.): Type: Type: Type: Type: Quantity/Type: Quantity:	or posterior	
E.		4x4 Trucks/Vehicles Water Truck Geophysical Truck Pipe Truck (rig support) Bulldozer Backhoe Trackhoe Scaper/Grader Trailers Portable Toilet	Quantity: Weight (lbs.): Weight (lbs.): Type: Type: Type: Type: Quantity/Type: Quantity:	or posterior	

D. Disposal of drill cuttings

F. Roads and Overland Travel:

List of new roads to be constructed for this exploration project:

Description of NEW Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
TOTAL ACRES DISTURBED BY NEW ROAD	CONSTRU	ICTION :	0

Describe how new roads will be constructed:

No new roads will be constructed. Sites will be accessed by existing public roads and entered on foot.

List for <u>extension or widening of existing</u> roads:

Description of Modification to EXISTING Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
			0 -11
			ı
TOTAL ACRES DISTURBED BY ROAD	IMPROVE	MENTS:	0

Describe how existing roads will be extended or widened:

N/A

List for routes of overland travel:

Description of OVERLAND TRAVEL Routes	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
			0-011
TOTAL ACRES DISTURBED BY O	VERLAND T	RAVEL:	0

G. Support Facilities

Describe (location and size) any support facility disturbances (equipment staging, equipment and material storage and/or lay down areas, vehicle parking, temporary housing and/or trailers) to be created or situated on the site during exploration operations.

No support facilities will be constructed or areas disturbed.

H. TOTAL ACREAGE TO BE DISTURBED BY PROJECT = 0 acres (include all disturbed acreage from drill pads, cuttings disposal pit, new roads, improved roads and overland travel routes)

SECTION 5 - CHEMICAL USE (§302.D.4)

Α.	Check	any and all chemicals that will be u	ised for this proje	ct.
		Drilling Mud (i.e., EZ Mud)	Type/Quantity:	
		Diesel Fuel	Quantity:	
		Down-hole Lubricants	Type/Quantity:	
		Lost Circulation Materials	Type/Quantity:	
		Oils/Grease	Quantity:	· ·
		Gasoline	Quantity:	
		Hydraulic Fluid	Quantity:	
		Ethylene Glycol	Quantity:	
		Cement	Type/Quantity:	
		Water	Source:	
		Bentonite	Quantity:	
		Fertilizer	Type/Quantity:	
		Other	Type/Quantity:	U=
			= 0	1.8
В.	Descri above: N/A	be, in detail, a plan for the conta	ainment, use and	d disposal of all chemicals listed
C.		be where equipment fueling/refuelin Pickup refueling will occur at a c		ty off-site.
D.	Descri N/A	be how hazardous material spills/le	aks will be handl	ed:

E. Ic	entify sp	spill cleanup materials that will be kept on-site (check all that apply):	
		Bentonite clay or cat litter	
		Adsorbent pads, rolls, mats, socks, pillows, dikes, etc.	
		Drum or barrel for containing contaminated soil/adsorbent materials	
		Other/list:	_
		Other/list:	_
	Ш	Other/list:	_
= i	nmediat	nt/owner/representative agrees to immediately notify the State of New Nately of any spills of hazardous materials (see page 1 of this application for s to notify):	phone
		The second of th	

SECTION 6 – GROUNDWATER/SURFACE WATER INFORMATION (§302.D.5)

٩.	Provide an estimate of depth to ground water and the total dissolved solids (TDS) concentration.
	Depth to groundwater (ft.): 100-150 TDS concentration (mg/L): 400
	Describe the source of this information: Review of the New Mexico Office of State Engineer indicates several wells in the vicinity of the site with various depths to water, all within this range. A review of USGS National Water Information System indicated similar water depths. The TDS concentration was obtained from well within the USGS database.
В.	Will dewatering activities be conducted: ☐ Yes ■ No
	If yes, please describe:
С.	Is groundwater anticipated to be encountered during exploration: Yes No
	If <u>YES</u> :
	Have you completed Form WR-07 (Application for permit to drill a well with no consumptive use of water) and mailed it to the District Office of the State Engineer? Yes
	Have you completed Form WD-08 (Well plugging plan of operations) and mailed it to the District Office of the State Engineer? Yes
	Attachment 1 (copies of the completed WR-07 and WD-08 forms)
D.	Exploration Borehole Abandonment
	Dry Boreholes
	Dry hole abandonment (option 1): 100% bentonite pellets/chips (i.e. HOLEPLUG® manufactured by Baroid Industrial Products), dropped from surface then hydrated in place according to the manufacturer's recommendations, emplaced from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.

	Dry hole abandonment (option 2): Neat cement slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.
	Dry hole abandonment (option 3): Cement + 6% bentonite slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.
	Dry hole abandonment (option 4): High-density bentonite clay (≥ 20% active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.
	☐ Dry hole abandonment (option 5): Other materials / describe and justify use:
	Wet Boreholes
	Wet hole abandonment (option 1): Neat cement slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.
	Wet hole abandonment (option 2): High-density bentonite clay (≥ 20% active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.
	Wet hole abandonment (option 3): Other sealing material approved by the Office of the State Engineer. Describe and include well plugging plan approval by the State Engineer:
D.	Applicant agrees to contain any water produced from the exploration borehole at the drill site and acknowledges that discharge of this water to a watercourse may be a violation of the Federal Clean Water Act:

reams?			AAIRIIII	100 teet	or any	perennial	, intermitte	ent, or ephem
	∐ Yes	■ No						

SECTION 7 – RECLAMATION & OPERATION PLAN (§302.D.6 AND 302.I.K)

A. Salvage/Preservation of Topsoil

В.

agre	ees to salvage and pre	•	ies occur in relation to this project, operator and topdressing for use in future reclamation of
Des app		e salvaged prior	to initiation of exploration activities (check all that
	Excavated from drill pa	ds and stored at approvements/con	struction and stored adjacent to road
	sion Control cribe the best manage Silt fencing	ment practices th Location:	nat will be implemented to control erosion:
	Straw waddles	Location:	
	Straw bales	Location:	
	Ditches/swales	Location:	
	Berms/dikes/dams	Location:	
	Sediment basins	Location:	
	Other or N/A	Type/Location:	Minimal surface disturbance associated with

C.	Wildlife Protection / Noxious Weed Prevention
	Will the perimeter of drill pits be fenced to prevent wildlife entrapment? ☐ Yes ■ No
	Proposed pit perimeter fence material:
	N/A - no drill pits
	Describe how the pit perimeter fencing will be installed and secured (i.e., T-posts, wooden stakes, etc.):
	N/A - no drill pits
	Will at least one side of the interior of the drill pits be sloped at 3:1 as a ramp for wildlife escape? ☐ Yes ■ No
	If No, will another type of constructed escape ramp be installed? Describe:
	N/A - no drill pits
	Applicant/Owner/Operator commits to pressure-washing or steam-clean all equipment prior to entering the permit area:
D.	Reclamation Details
	Describe in general how re-contouring or re-establishment of the surface topography will be restored:
	Surface topography will not be disturbed during hand augering.

ponds, roads and other disturbance		u/mud and/or waste pits, shart
N/A - no disturbances will occur.		
Is seeding of the reclaimed areas pr		No needed:
60, 1" holes will be advanced		
surface are sparsely vegetate		
Plant mix to be used in the re-estab	shment of vegetation:	
US Forest Service specified mix		
☐ BLM specified mix applied throug☐ Other:	n broadcast at their rec	ommended rate
Plant Name	Seeding Rate (lb	s./acre)
~		
Broadcast applied or drill-seeded:	📗 Broadcast 🔃 🔲 D	rill-seeded

	Scarification Methods (check all that apply): Primary tillage to greater than 6-inches depth of all constructed drill pads and roads Secondary tillage of all constructed drill pads and roads, and/or overland travel routes Chain drag or tire drag over seeds in areas used for overland travel Light raking of soil over seeds in areas used for overland travel None Other/describe:
	Mulch Use: Certified weed-free straw mulch will be placed over areas that have been tilled/disced or ripped at a rate of 2 tons per acre, and will be crimped in place No mulch is proposed
E.	Reclamation Timeline
	Applicant/Owner/Operator commits to reclamation of the disturbed area as soon as possible following the completion or abandonment of the exploration operation, unless the disturbed area is included within a complete permit application for a new mining permit: Yes No
	Anticipated Start of Reclamation:
	0-30 days after completion of drilling 31-60 days after completion of drilling Other/specify: No reclamation will be undertaken.

Section 8 – Permit Fees and Financial Assurance (§302.I.2 and 5)

A.	Financial assurance must be posted with Mining and Minerals Division prior to approval of this application. The acceptable forms of financial assurance are surety bonds, letters of credit, and certificates of deposit. Provide an estimate of, and an instrument for, the proposed financial assurance required by Subpart 3.
	☐ Surety Bond ☐ Letter of Credit ☐ Cash Account / Certificate of Deposit
	☐ Estimated amount of financial assurance: Or
	Applicant will provide the amount of financial assurance calculated by MMD.
B.	Attach the permit fees as determined pursuant to Subpart 2. The application fee for a minimal impact exploration permit is \$500.00.
	☐ Money Order/Cashier's Check ☐ Check
	Check Number : 1056
	Figure 1 Institution: JPMorgan Chase

SECTION 9 - CERTIFICATION REQUIREMENT (§302.1.3 & 4)

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information; I believe the submitted information is true, accurate, and complete. I agree to comply with the reclamation requirements set forth in this permit application and related correspondence, the New Mexico Mining Act and the Rules. Further, I certify that I am not in violation of any other obligation under the New Mexico Mining Act or the Rules adopted purequant to that Act and I allow the Director to enter the permit area, without delay, for the purposes of conducting inspections during exploration and reclamation.

Signature of Permittee	or Authorized Agent:
Name (type or print):	MICHAEL J. GINGLES
Title/Position:	DIRECTOR
Nate:	February 17, 2021

Americas Tailings Inc.

Minimal Impact Exploration Operation – Permit Application

Attachment 1

Right to Enter Information & Location Maps

A. Dobson Property (Survey 523A)

A1. Description of Property

Meridian, Township, Range. Section, County State. Portion of NW ¼ of Section 36 Township 2 South., Range 4 West

Legal Description:

Beginning at the Cor. No. 1, a juniper post 5"x5"x4' set 2 ft. in the round with a mound of earth and marked 1/523A whence a blazed pinon tree 3" in dia. Marked B.T 1/523A bears S.62° 36' E. 13.33 ft., a blazed pinon tree 5" in dia. Marked BT 1/523A bears S.23° 49'W. 6.06 ft. and U.S. Locating Monument Baxter bears N. 76° 46' W. 779.9 ft., and from this Loc. Mon. the N.W. Cor. Of Section 36 T.2S., R. 4 W., bears N. 83° 39' W. 2767.50 ft.,

Thence N. 68° 41′ E., to Cor. No.2, a juniper post 5"x5"x4'set 2 feet in the ground with mound of earth and marked 2/523A,

Thence S. 21° 19′ E. along the lower ridge of the foothills over rolling ground to Cor. No. 3, a limestone 8″x8″x20″ set in 14″ in the ground with mound of stone alongside and marked 3/523A whence the N.E. Cor. Of the Graphic Lode, Sur. No. William T. Thornton et. al. claimants, bears S. 71° 30′ E. 165.35 ft., a blazed pinon tree 8″ in dia. Marked B.T. 3/523A bears N.64° 22′ E. 13.77 ft. and a blazed pinon tree 9″ in dia. Marked B.T. 3/523A bears N. 15° 35′ W. 34.60 ft.

Thence S. 68° 41′ W., to arroyo, course N. 30° W. to arroyo course N. 50° W. ascending to Cor. No. 4 a juniper post 4 1/2 " x 5"x4′ set 2 ft. in the ground with a mound of earth and marked 4/523A, whence Sierra Ventana bears N. 48° 03′W., Magdalena Mtn bears S. 77° 51′ W., a blazed pinon tree 3" dia. Marked B.T. 4/523A bears N. 89° 23′E. 7.17 ft. and a blazed pinon tree 5" in dia. marked BT 4/523Abears S. 1° 21′E. 22.75 ft.

Thence N, 21° 19′ W. descending to Cor. No. 1 the place of beginning.

Magnetic Variation 13° 05'E. on all courses.

Containing 20.66 Acre.

A2. Right to Enter

Surface Owner: Tri-Bullion Corp. and American Smelting & Refining Co. as lessors to William Dobson and J.A. MacDonald and Successors Grace Marie Dobson and Frank Henry Dobson.

Mineral Estate: lessees William Dobson and J.A. MacDonald and Successors Grace Marie Dobson and Frank Henry Dobson (further legal due diligence ongoing)

Memorandum of Mineral Lease and Purchase Agreement (<u>see Exhibits 1-A</u>), dated as of December 16, 2020, between Americas Tailings Inc., and Grace Marie Dobson and Frank Henry Dobson.

A3. Location Maps (see Exhibits 1-A)

USGS Map attached to filings with Socorro Count NM and BLM. US GLO Plat Sur. 523A Auger Hole Location Map

B. Magdalena South Property

B1. Description of Property

Meridian, Township, Range, Section N½ NE¼ SE¼ of Section 2 and the N½ NW¾ SE¼ of Section 2, Township 3 South, Range 4 West, NMPM, south of Magdalena, Socorro County, New Mexico

Legal Description:

"Beginning at Corner I, the NE Corner, being a point on the east-west midsection line of aforementioned Section 2 being a distance of 150 feet the north south boundary line common to Sections 1 & 2, T. 3 S., R. 4 W., NMPM;

thence, S. 00° 00" E., a distance of 670 feet to Corner No. 2, the SE corner;

thence, N. 90° 00' 00" W., a distance of 1205 feet along the east-west midsection line of the NE% SE% of Section 2 to Corner No. 3, the SW corner, being a point of intersection with a steel post and rail fence;

thence, N. 05° 00' 00" E., a distance of 300 feet along the steel post and rail fence to Corner No. 3A a point at the termination of a steel post and rail fence and intersection with a wire and post fence;

thence, N. 90° 00' 00" W., a distance of 170 feet to Corner No. 3B;

thence, N. 07° 00' 00" W., a distance of 355 feet to Corner 4;

thence, N. 90° 00′ 00″ E., a distance of 1418 feet along the east-west midsection line of Section 2 to Corner 1 the place of beginning.

With the 40 foot Right of Way (NMNM--077596) crossing the western portion of this claim.

Containing 20 acres, more or less."

B2. Right to Enter

Surface Owner: United States Forest Service, Department of Agriculture.

Mineral Estate staked on November 13, 2020 – as filed with the clerk of Socorro County New Mexico on December 11, 2020 (Inst. 20202283) and with the U.S. Bureau of Land Management (BLM no. NMMC202332)

Location Certificate: Socorro County Filing (see Exhibits 1-B)

B3. Location Map (see Exhibits 1-B)

USGS Map attached to filings with Socorro Count NM and BLM. Auger Hole Location Map

EXHIBITS FOR SECTION 1-A

Dobson Property (Survey 523A)

MEMORANDUM OF MINERAL LEASE AND PURCHASE AGREEMENT

State:

New Mexico

County:

Socorro

Lessor:

GRACE MARIE DOBSON and FRANK HENRY DOBSON

Lessee:

AMERICAS TAILINSG INC.

7902 Glen Ridge Drive, Castle Pines, CO 80108

Effective Date: December 16, 2020

For adequate consideration, Lessor named above, has granted, leased and conveyed to Lessee, named above, for the purpose of extraction, mining, processing and owning minerals and other substances produced or previously extracted together with the right to survey, establish and utilize facilities for extraction, mining, and processing Mineral Substances from the leased premises, construct roads and bridges, build storage tanks, communication facilities, and other structures on said land necessary or useful in Lessee's operations in exploring, producing, treating, storing, processing, owning and transporting such minerals produced from or located on the land leased (the "Premises"), the following described land situate in Socorro County, State of New Mexico, to wit:

1. Patented Claims Group One.

- 1.1. Nit (Nitt) Mine: Shaft, underground workings, including Nit (Nitt) and North Graphic dumps only.
- 1.2. Extension No. 1 North Graphic Lode-Survey No. 523A, 20.66 acres A patented mining claim in Socorro County, New Mexico, in the Magdalena Mining District known as Extension Number 1 of the North Graphic Lode, Survey No. 523A, consisting of approximately 12.83 acres of the entire 20.66 acres, or an undivided 62.11 % interest located in the NE 1/4 of Section 36, Township 2 South, Range 4 West, NMPM.
- 1.3. Silver Bell Lode. Survey No. 858 consisting of 12.23 acres; located in the Magdalena Mining District, in the N.E. and N.W. quarter of Section 36, T.2-S, R. 4-W. Socorro County, State of New Mexico.

2. Patented claims

- 2.1. North Graphic Mill Site: Survey No. 523B, 5 acres, W.L. Dobson ¼ undivided interest. This is a one-half (1/2) undivided interest in the North Graphic Mill Site Survey No. 523B consisting of 5 acres, located in the Magdalena Mining District in section 24 & 25 T. 2-S, R. 4-W.
- 3. Unpatented Claims Group One (claims contiguous to Nit Mine).
 - 3.1. Nit Amended approximately 20 acres, Notice Vol. 250, Page 196. Mining Claim known as Nit Amended as recorded and amended in the records of the Clerk of Socorro County, State of New Mexico, in Vol. 250 of Mining, Page 196: Located in the Magdalena Mining District, in the N .E. quarter of section 26. T. 2-S, R. 4-W. bounded on the South by Silver Bell Lode, Survey No. 858, on the East by Ozark and Tri-Bullion No. 2, and on the West by William Mining Claims.
 - 3.2. Ozark approximately 6.60 acres, Notice Vol. 250, Page 196.
 - 3.3. William approximately 20 acres, Amended Location Notice Vol. 71, Page 168.
 - 3.4. Tri-Bullion #2 approximately 14.4 acres, Vol. 71, Page 195 and Amended Location Notice Vol. 250,335.

NOTE: Items In Paragraph (3)(1-4) cannot be sold, only reassigned.

The Mineral Lease and Purchase Agreement (the "Agreement") provides Lessor a right of termination if a Notice to Proceed is not provided within a term of three (3) years from Effective Date stated above (with a six month extension if Lessee is diligently pursuing mining), and is effective as long thereafter as mineral substances are produced from the Premises, according to and by the terms and provisions of the Mineral Lease and Purchase Agreement between Lessor and Lessee. The Agreement, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Mineral Lease and Purchase Agreement (the "Memorandum" for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease and Purchase. The original of the Agreement is maintained in the office of the Lessee.

This Memorandum is signed by Lessor as of the date of acknowledgment of Lessor's signature, but is effective for all purposes as of the Effective Date stated above.

LESSOR:

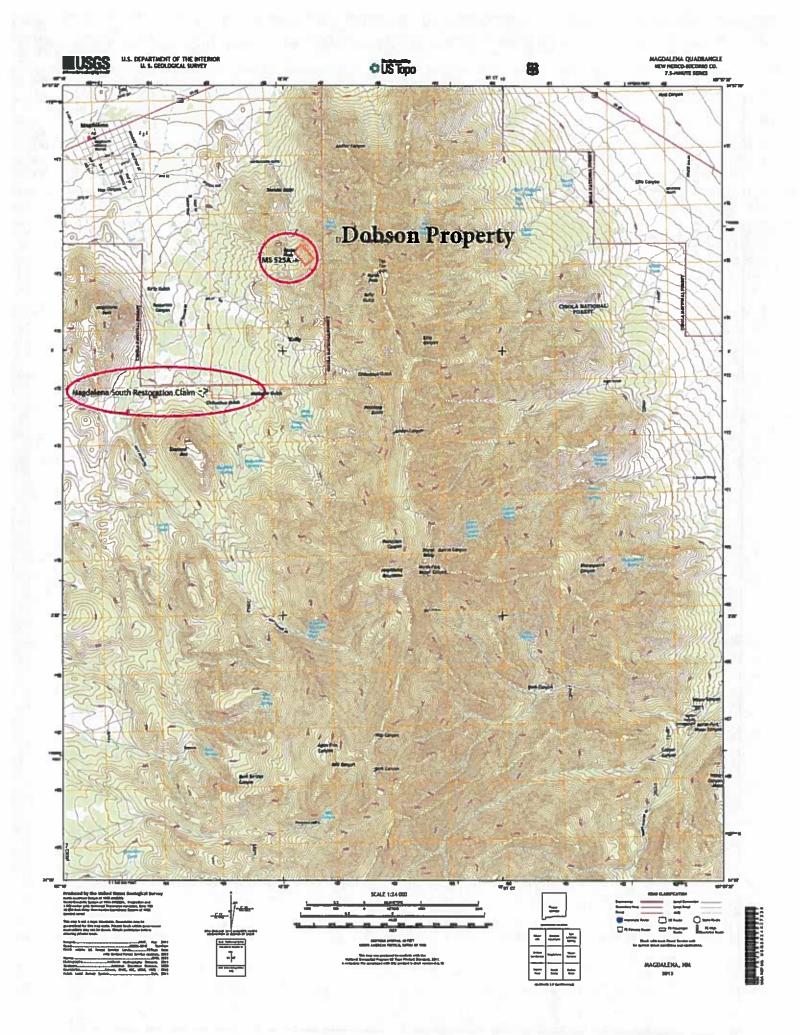
GRACE MARIE DOBSON and FRANK HENRY

OBSON

LESSEE:

AMERICAS TAILINS INC

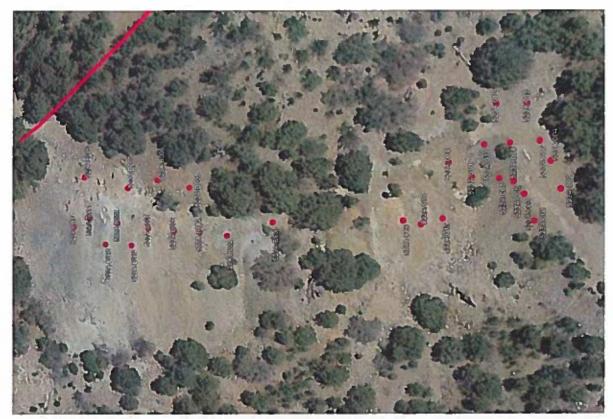
Title: DIRECTOR, AMERICAS TAILINGS INC.

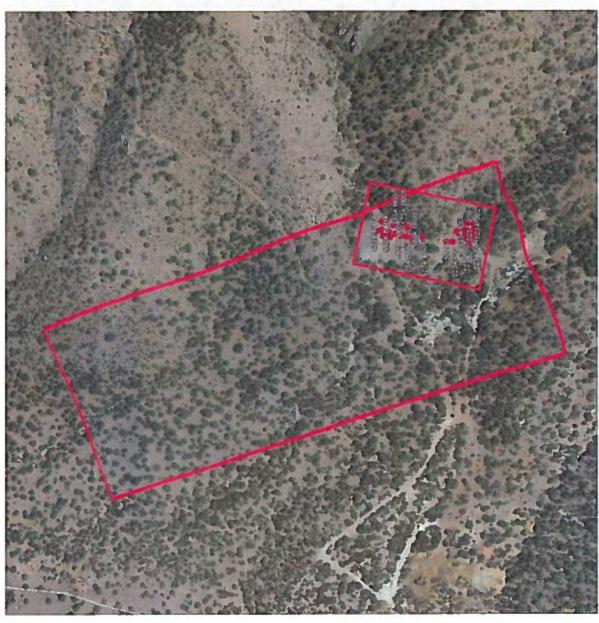


as experies by the expedent of the depail survive hall tacker crown that this is a current flat of sent Maning Laune Bien Bleck athie all work are digathe Channel Me L. spread, and an or fib is this office and I herby with the considering confinements with same companied field works of the sur-MINING DISTRICT. COUNTY North anguer Locate they farmed such an accurate closephore of said Alminy Chienes cas wall if am represented into or pretent sore forth be when tify the paramers, and that said reference to mark therein to metional espects, and permineral merimments in mid for March 10 N. S. ASK. The unstral field Woles of the Survey of the Claim of other claims of the claims of th petitishe civil jus the locaes thereof. I further cortify thank sometimes to and less than five the matter of the labor and improvements, plant than Fret to the inch. VORTHGRAPHICMININGCO TERRITORY OF NEW MEXICO. I familial I halkers, and thest sand express secrets consist of Leonard Marine NORTH GRAPHIC LODE Lemention XTENSIONNO Par # 16884 - Dec. 4 1890. SURVEY Nº 523.A OF THE CLAIM OF District, Nº 2 -SEPTEM BURVEYED BY Ser. 5 2000. PLAT Dutent Oreginal roc Kittension Tol April 42 mg Contributing another of MAGDALENA SOCORRO Sendoal. Infaltated a boundaries and a treat place and a boundaries of the boundaries before the boundaries of Libertal relief of the first relief to the NEX Secon TRURAM and restablishment destablished betablished betablished betablished by betablished betablished betablished 8UR NO 525 A Charlet. Mighab Lone Carital Citizen Sty Jane Later Strawny Pract Antital and a state and a state of the state

MS 523A

ID	Northing /Latitude	Easting /Longitude
523A-001	34° 5'44.69"N	107°12'12.99"W
523A-002	34° 5'44.55"N	107°12'12.80"W
523A-003	34° 5'44.73"N	107°12'12.81"W
523A-004	34° 5'44.58"N	107°12'12.62"W
523A-005	34° 5'44.77"N	107°12'12.72"W
523A-006	34° 5'44.62"N	107°12'12.48"W
523A-007	34° 5'44.84"N	107°12'12.68"W
523A-008	34° 5'44.77"N	107°12'12.47"W
523A-009	34° 5'44.66"N	107°12'12.24"W
523A-010	34° 5'44.99"N	107°12'12.65"W
523A-011	34° 5'44.90"N	107°12'12.45"W
523A-012	34° 5'44.81"N	107°12'12.21"W
523A-013	34° 5'45.18"N	107°12'12.90"W
523A-014	34° 5'45.10"N	107°12'12.53"W
523A-015	34° 5'45.30"N	107°12'12.92"W
523A-016	34° 5'45.40"N	107°12'12.88"W
523A-B-001	34° 5'46.13"N	107°12'12.77"W
523A-B-002	34° 5'46.44"N	107°12'12.82"W
523A-B-003	34° 5'46.59"N	107°12'12.46"W
523A-B-004	34° 5'46.60"N	107°12'12.77"W
523A-B-005	34° 5'46.79"N	107°12'12.37"W
523A-B-006	34° 5'46.76"N	107°12'12.74"W
523A-B-007	34° 5'47.00"N	107°12'12.39"W
523A-B-008	34° 5'46.92"N	107°12'12.69"W
523A-B-009	34° 5'47.12"N	107°12'12.62"W
523A-B-010	34° 5'47.32"N	107°12'12.25"W
523A-B-011	34° 5'47.33"N	107°12'12.55"W
523A-B-012	34° 5'47.07"N	107°12'12.80"W
523A-B-013	34° 5'47.27"N	107°12'12.77"W
523A-B-014	34° 5'47.48"N	107°12'12.60"W





EXHIBITS FOR SECTION 1-B

Magdalena South Property

CERTIFICATE OF LOCATION - (PLACER LOCATION)

KNOWN ALL BY THESE PRESENTS:

That: the undersigned officer of Americas Tailings Inc., a Colorado corporation, and citizen of the United States, resident of the County of Douglas, State of Colorado, having complied with the provisions of Chapter 6, Title XXXII, of the Revised Statutes of the United States, and with the local customs, laws and regulations, claim by right of discovery and location, the Magdalena South Restoration Placer Claim, situate, lying and being in the N½ NE¼ SE¼ of Section 2 and the N½ NW¼ SE¼ of Section 2, Township 3 South, Range 4 West, NMPM, south of Magdalena, Socorro County, New Mexico, and more particularly described as follows, to-wit:

Beginning at Corner I, the NE Corner, being a point on the east-west midsection line of aforementioned Section 2 being a distance of 150 feet the north south boundary line common to Sections 1 & 2, T. 3 S., R. 4 W., NMPM;

thence, S. 00° 00" E., a distance of 670 feet to Corner No. 2, the SE corner;

thence, N. 90° 00' 00" W., a distance of 1205 feet along the east-west midsection line of the NE¼ SE¼ of Section 2 to Corner No. 3, the SW corner, being a point of intersection with a steel post and rail fence;

thence, N. 05° 00' 00" E., a distance of 300 feet along the steel post and rail fence to Corner No. 3A a point at the termination of a steel post and rail fence and intersection with a wire and post fence;

thence, N. 90° 00' 00" W., a distance of 170 feet to Corner No. 3B;

thence, N. 07° 00' 00" W., a distance of 355 feet to Corner 4;

thence, N. 90° 00' 00" E., a distance of 1418 feet along the east-west midsection line of Section 2 to Corner 1 the place of beginning.

With the 40 foot Right of Way (NMNM—077596) crossing the western portion of this claim.

Containing 20 acres, more or less.

Said placer claim was located on the 13th day of November, 2020.

ATTEST:
AMERICAS TAILINGS INC.
By:

Name

FINANCIAL OFFICER

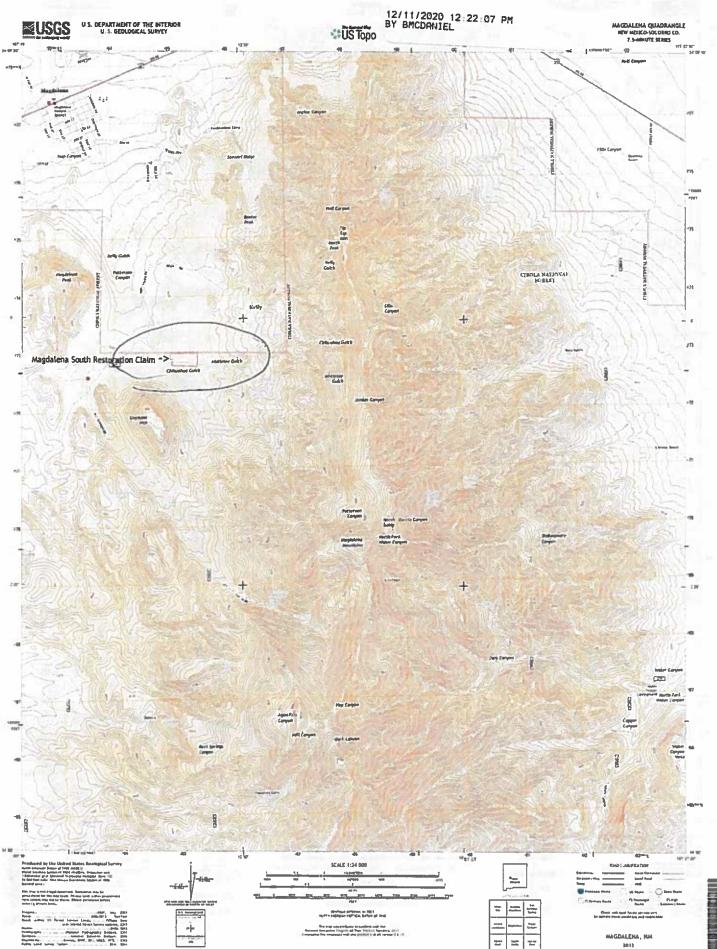
Title

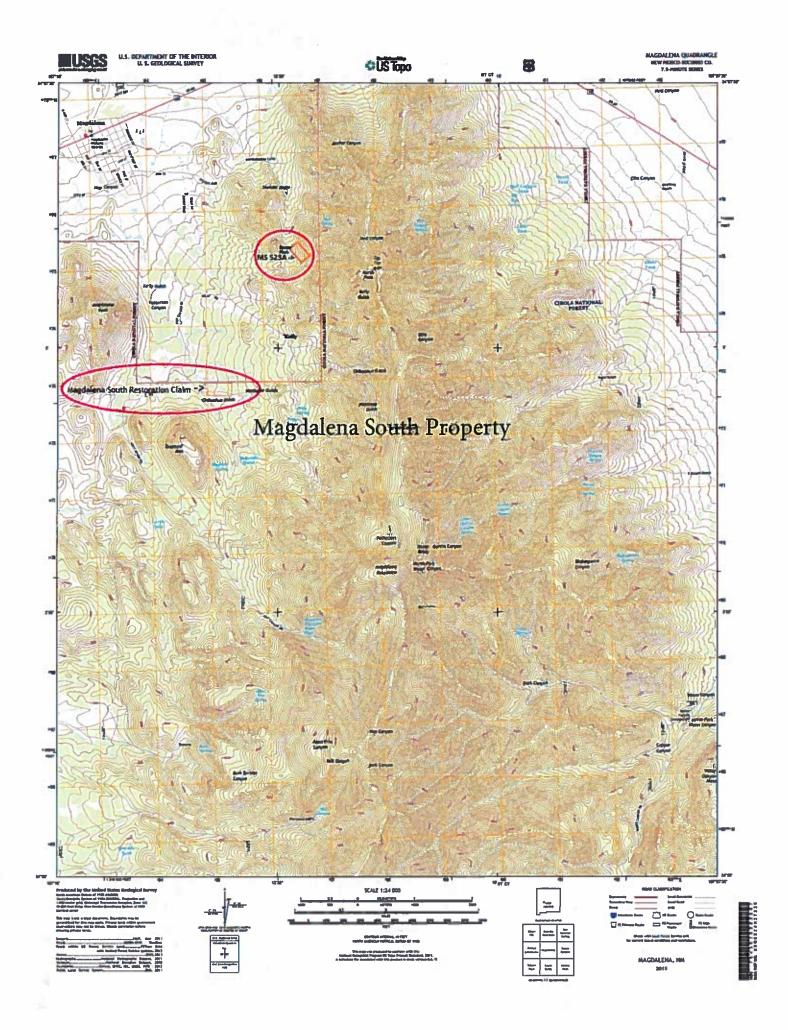
Mailing Address: 7902 Glen Ridge Drive, Castle Pines, CO 80108

BLM SERIAL NO.:

SOCORRO COUNTY - NM BETTY L. SARVEDRA, CLERK Instr # 20202283 MINING LOCATION

12/11/2020 12:22:07 PM BY BMCDANIEL





Magdalena South Restoration Placer Claim

ID	Northing /Latitude	Easting /Longitude	
MSR-001	34° 4'38.29"N	107°13'20.41"W	
MSR-002	34° 4'38.28"N	107°13'18.82"W	
MSR-003	34° 4'38.31"N	107°13'17.45"W	
MSR-004	34° 4'38.18"N	107°13'16.16"W	
MSR-005	34° 4'37.80"N	107°13'14.98"W	
MSR-006	34° 4'39.44"N	107°13'11.90"W	
MSR-007	34° 4'39.24"N	107°13'10.07"W	
MSR-008	34° 4'39.21"N	107°13'8.20"W	
MSR-009	34° 4'39.26"N	107°13'6.24"W	
MSR-010	34° 4'37.08"N	107°13'20.10"W	
MSR-011	34° 4'37.05"N	107°13'18.57"W	
MSR-012	34° 4'36.99"N	107°13'17.09"W	
MSR-013	34° 4'37.04"N	107°13'15.99"W	
MSR-014	34° 4'37.09"N	107°13'14.69"W	
MSR-015	34° 4'37.12"N	107°13'13.33"W	
MSR-016	34° 4'38.33"N	107°13'7.44"W	
MSR-017	34° 4'35.85"N	107°13'18.28"W	
MSR-018	34° 4'35.81"N	107°13'16.86"W	
MSR-019	34° 4'35.82"N	107°13'15.22"W	
MSR-020	34° 4'35.86"N	107°13'13.54"W	
MSR-021	34° 4'35.89"N	107°13'11.87"W	
MSR-022	34° 4'35.83"N	107°13'10.25"W	
MSR-023	34° 4'35.90"N	107°13'8.67"W	
MSR-024	34° 4'35.72"N	107°13'7.25"W	
MSR-025	34° 4'35.17"N	107°13'16.88"W	
MSR-026	34° 4'34.90"N	107°13'14.96"W	
MSR-027	34° 4'34.86"N	107°13'13.26"W	
MSR-028	34° 4'34.80"N	107°13'11.72"W	
MSR-029	34° 4'34.79"N	107°13'10.29"W	
MSR-030	34° 4'34.80"N	107°13'8.67"W	