

**PERMIT MODIFICATION 23-1 TO PERMIT NO. CI002RE  
MT. TAYLOR MINE  
REGULAR EXISTING MINING OPERATION**

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

This Modification 23-1 (Mod. 23-1) to Permit No. CI002RE (Permit) is issued by the Director of the Mining and Minerals Division (MMD) of the New Mexico Energy, Minerals and Natural Resources Department to:

Rio Grande Resources Corporation  
4899 W. HWY 605 N  
P.O. Box 1150  
Grants, NM 87020

Whose correct address is:

(Permittee) for the Mt. Taylor Mine, located in Cibola County, New Mexico.

This Mod. 23-1 approves the replacement of one financial assurance (FA) instrument that is associated with this Permit. Replacement of FA is pursuant to §19.10.12.1209 NMAC. The specific instruments and amounts are below:

- FA instruments to be replaced:
  - Irrevocable Standby Letter of Credit (ILOC) No. MB60516318, including Amendment AMD002 in the amount of \$7,606,477.00 issued by Bank of the West, Global Trade Services (Bank of the West), Mail Code: 13300 Crossroad Parkway North, SC-XRD-2W-G, City of Industry, CA 91746 dated, August 12, 2016.
- Accepted as replacement FA instrument:
  - ILOC No. HACH709173OS in the amount of \$7,606,477.00 issued by BMO Bank N.A. C.O. Bank of Montreal (BMO), Mail Code: 250 Young Street, 11<sup>th</sup> Floor, Toronto, Ontario M5B 2L7 dated, February 15, 2024 (Replacement ILOC).

In order to accomplish the approval contemplated by this Mod. 23-1, the following subparagraphs are added to Permit No. CI002RE:

**Section 1 (23-1). 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 2014) (“Act”) and New Mexico Mining Act Rules, Title 19, Chapter 10 of the New Mexico Administrative Code (“NMAC” or “Rules” or “Regulations”).

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- 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 1A (23-1).**

**PERMIT APPLICATION PACKAGE**

- A. The Replacement ILOC was issued on February 15, 2024. The application fee of \$1000.00 for Modification 23-1 was received by MMD on December 5, 2023.

**Section 3 (23-1).**

**FINDINGS OF FACT**

- A. The Permittee has paid the permit modification fee of \$1000.00 as required by §19.10.2.201 H. of the Rules.
- B. The application for permit modification has been reviewed in accordance with §19.10.5.505 of the Rules. The application for permit modification is complete, accurate, and complies with the requirements for permit modifications under §19.10.5.505 of the Rules.
- C. Pursuant to §19.10.5.505. B. of the Rules, the proposed change does not require public notice nor the opportunity for public hearing.
- D. Pursuant to §19.10.5.505 B (1) of the Rules, the proposed changes would not have a significant environmental impact.
- E. Pursuant to §19.10.5.505 B (2) of the Rules, the application was accompanied by sufficient information for the Director to determine whether any of the factors listed in §19.10.5.505 NMAC are present.
- F. Pursuant to §19.10.12.1209 A. NMAC, the proposed replacement of financial assurance mechanisms provides equivalent coverage.
- G. Pursuant to §19.10.12.1209 B. of the Rules, the Director approves Replacement ILOC No. HACH709173OS through Modification 23-1 and approves the release of ILOC No. MB60516318.
- H. MMD and NMED hold joint FA in the total amount of \$7,606,477.00, which has been determined by MMD and NMED to be sufficient to meet the requirements of the Act, Rules, and the Permit. The FA instruments held by MMD and NMED are:

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1. ILOC No. HACH7091730S in the amount of \$7,606,477.00 issued by BMO Bank N.A. C.O. Bank of Montreal (BMO), Mail Code: 250 Young Street, 11<sup>th</sup> Floor, Toronto, Ontario M5B 2L7 dated, February 15, 2024.

- I. Pursuant to §19.10.12.1209.B NMAC, this replacement of financial assurance does not constitute a release of financial assurance under §19.10.12.1210 NMAC.

**Section 10 (23-1).**

**CONCLUSIONS OF LAW**

- A. The request for permit modification is complete and accurate and complies with the requirements of the Act and §19.10.5.505 NMAC.
- B. The request for replacement of financial assurance is complete and accurate and complies with the requirements of the Act and §19.10.12.1209 NMAC.

All other provisions, modifications, and revisions for mining and reclamation contained in the Mt. Taylor Permit, Permit No. CI002RE, remain unchanged.

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**CERTIFICATION**

I certify that I have read, understand and will comply with the requirements of the Permit, this Permit Modification, the Act and the Rules, including without limitation that I will allow the Director to enter the Permit Area as required by the Permit and/or the Rules and/or as otherwise required by law.

[Signature]

Authorized Representative of the Permittee

Treasurer

Title

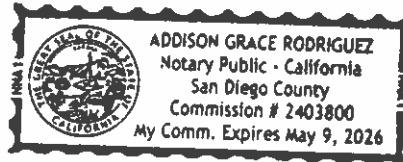
Rio Grande Resources Corporation  
Company

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2024

[Signature]  
Notary Public

My Commission Expires

May 9, 2026



\* see attached California jurat



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Diego

Subscribed and sworn to (or affirmed) before me on

this 3 day of April, 2024, by  
Date Month Year

(1) Rhys V. Williams

(and (2) \_\_\_\_\_),  
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_




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**ORDER**

NOW THEREFORE, IT IS HEREBY ORDERED that the Director approves Permit Modification 23-1 to Permit No. CI002RE, in order to replace Bank of the West ILOCs number MB60516318 (\$7,606,477.00), with BMO Bank N.A. ILOC number HACH709173OS (\$7,606,477.00).

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

By: 

Albert Chang, Director  
Mining and Minerals Division  
Energy, Minerals and Natural Resources Department

Date: 4/22/2024