State of New Mexico Energy, Minerals and Natural Resources Department

Michele Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Albert Chang Director Mining and Minerals Division



Dylan FugeActing Deputy Cabinet Secretary

October 30, 2023

Andrew Watson, VP Engineering and Operations Lancaster Resources Inc. 2569 Marine Drive West Vancouver, BC Canada

RE: Minimal Impact Exploration Permit Application Determined Administratively Complete MMD No. HI023EM, Alkali Flats Lithium Brine Phase 1 in Hidalgo County, NM

Dear Mr. Watson,

Pursuant to 19.10.3.302 New Mexico Administrative Code (NMAC), the New Mexico Mining and Minerals Division (MMD) has determined that a Minimal Impact Exploration Permit Application (Application) submitted on September 26, 2023 is administratively complete. The Application was submitted by Lancaster Resources Inc., for its Alkali Flats Lithium Brine Phase 1 Exploration Drilling and proposes to disturb a total of up to 1.97 acres of United States Bureau of Land Management (BLM) property (3 drill holes & drill pads) within the boundaries of claim numbers identified in the application for exploration located within the Lordsburg Playa, approximately 14 kilometers from Lordsburg, NM following interstate I-10 in Hidalgo County, NM. MMD is processing this application as a minimal impact exploration permit pursuant to 19.10.3.302 (A) NMAC.

MMD is hereby notifying you that the proposed Application for Alkali Flats Lithium Brine Phase, MMD Permit No. HI023EM is administratively complete. MMD will now distribute the Application to other reviewing state, federal and tribal agencies to begin technically review pursuant to 19.10.3.302 (G) NMAC. A site visit for this inspection is planned for November 14th or 15th. If you have any questions, please contact me at 505-216-8945 or via e-mail at: samantha.rynas@emnrd.nm.gov.

Sincerely,

Samantha Rynas, Permit Lead - No. HI023EM Mining Act Reclamation Program (MARP)/MMD

CC: DJ Ennis, Program Manager, MARP/MMD

Carmen Rose, Reclamation Specialist Supervisor, MARP/MMD

Joseph Navarro, BLM

MARP File: HI023EM