

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Dylan Fuge**  
Deputy Cabinet Secretary

**Albert Chang, Director**  
Mining and Minerals Division



April 10, 2024

Southern Silver Exploration Corporation  
Attn: Joe Kizis  
4790 Caughlin Pkwy #207  
Reno, NV 89519-0907

**RE: Exploration Permit Renewal Approval, Turquoise Mountain Exploration Project,  
Grant County, Permit No. GR087ER-R2**

Dear Mr. Kizis:

The New Mexico Mining and Minerals Division (“MMD”) received a letter dated January 16, 2024, from Southern Silver Exploration Corporation (“Permittee”), requesting renewal of the MMD Permit No. GR087ER, Turquoise Mountain Exploration. This letter acknowledges the renewal of the Regular Exploration Permit for the Turquoise Mountain Exploration Project. The permit number designated for the renewal will be GR087ER-R2.

Since the Permittee indicates that the scope of the drilling project is unchanged, the Permittee is authorized to conduct reclamation operations only on those lands that are specifically designated and authorized within the permitted area (“Permit Area”) and reclamation activities shall be limited to the locations identified in the permit application. The Permit Area is located in T27S, R16W, Sections 35-36 and in T28S, R16W, Sections 1-3. The maximum authorized disturbance is 1.33 acres within the Permit Area.

**Findings of Fact:**

1. The application for renewal is complete and demonstrates that the renewal of the permit will continue to meet the requirements of reclamation, as identified in Section 19.10.4.405.C of the New Mexico Mining Act Rules (“the Rules”).
2. The Permittee has met the public notice requirements of 19.10.9 of the Rules. No requests for a public hearing were received by MMD.
3. The Permittee has paid the permit application fee in the amount of \$1,000.00, as determined by Part 2 of the Rules.
4. The Permittee has no outstanding violations of the New Mexico Mining Act or 19.10 NMAC.

5. The Permittee established financial assurance in the form of Irrevocable Standby Letter of Credit No. BMTO656339OS issued by the Bank of Montreal for the required amount of \$86,635.00 as a jointly held instrument between MMD and BLM.
6. The Permittee has acknowledged that there has been no change in the amount of proposed disturbance within the proposed permit area or any changes to the plan of operations described in Permit No. GR087ER.
7. The Permittee has provided, as part of the permit application, a signed statement indicating that Permittee agrees to comply with the reclamation requirements of the permit, the Rules, and the New Mexico Mining Act (the Act) and allows the Director to enter the permit area, without delay, for the purpose of conducting inspections during exploration and reclamation.
8. This Permit does not grant or create any property rights. Nor does MMD, by issuing this Permit or otherwise, make any comment on the surface or mineral rights that the Permittee may or may not have in the area covered by the Permit; only that the Permittee has provided a statement of basis on which the Permittee has a right to enter the property to conduct mining and reclamation. Permittee is solely responsible to take whatever steps are necessary to ensure that Permittee has property rights sufficient to support the activities contemplated by the Permit.
9. This Permit does not grant or create any water rights. Nor does MMD, by issuing this Permit or otherwise, make any comment on the water rights that the Permittee may or may not have available for use in the area covered by the Permit. Permittee is solely responsible and obligated to comply with all state and federal laws related to water rights sufficient to support the activities contemplated by the Permit.
10. This Permit is issued pursuant to NMSA 1978, Section 69-36-1 et. seq., and Title 19, Chapter 10 NMAC. Permittee may be required to comply with other federal, State, county or local laws or ordinances before or while undertaking the activity that is the subject of this Permit. MMD does not, by issuing this Permit or otherwise, make any comment on Permittee's compliance with such other laws. It is Permittee's sole responsibility to investigate and comply with the requirements of such other laws.
11. The Permittee shall comply with all requirements, obligations and conditions and shall conduct reclamation operations only as described within approved Permit No. GR087ER, originally approved on January 18, 2022.
12. Permit Renewal R2 expires on January 18, 2025. This permit renewal is valid until January 18, 2025, which is three years from the expiration date of the original permit [19.10.405.4.A(1) NMAC]. In addition, at the end of the project, Permittee shall file a termination report based on the requirements of Section 407 of the Rules. If you decide to continue activities beyond that period, you must renew the permit at least 30 days before the date of expiration [19.10.4.405.C(2) NMAC].

Mr. Joe Kizis

April 10, 2024

Page 3 of 3

RE: Exploration Permit Renewal Approval; Turquoise Mountain Exploration, Permit No. GR087ER-R2

If you have any questions, please contact Kevin Barnes of my staff, at (505) 470-5354 or via e-mail at: [kevin.barnes@emnr.d.nm.gov](mailto:kevin.barnes@emnr.d.nm.gov).

By Order of the Director,



Albert Chang  
Director  
Mining and Minerals Division

**cc (via email):** David "DJ" Ennis, Program Manager, MARP  
Bryan Victor, State Land Office  
Corey Durr, BLM Las Cruces  
File No. GR087ER