

**PERMIT NO. SI056EM
BELLA GROUP LODE EXPLORATION
MINIMAL IMPACT EXPLORATION OPERATION**

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

Permit No. SI056EM (“Permit”) is issued by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

New Metals Strategies LLC (“Permittee”)

Whose correct address is: 530-B Harkle Road, Suite 100
Santa Fe, NM 87505

for the Bella Group Lode Exploration Project, located approximately 10 miles south of Truth or Consequences in Sierra County, NM, as described in Section 3 of this Permit document. The Permittee is authorized to drill up to five (5) holes with a maximum diameter of 6 inches and maximum depth of 150 feet, and excavate three (3) exploratory trenches up 40 feet in length, 4 feet in width, and 15 feet deep, within Longbottom Canyon, whose surface rights are owned by the United States Bureau of Land Management (“BLM”) to explore for marketable commodities.

Section 1. STATUTES AND REGULATIONS

- A. This Permit is issued pursuant to the New Mexico Mining Act, NMSA 1978, §69-36-1, et seq. (1993, as amended through 2020).
- B. This Permit is subject to all applicable regulations of the New Mexico Mining Act (“Act”), New Mexico Mining Act Rules (“Rules” (§19.10.1 through §19.10.15 New Mexico Administrative Code (“NMAC”)) 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 2. PERMIT APPLICATION PACKAGE

The minimal impact exploration permit application for Permit No. SI056EM was received on April 12, 2023, and deemed administratively complete on April 25, 2023. Any correspondence subsequently submitted to MMD, by the Permittee or its representatives, can be found at MMD offices within the Division’s files, and is titled *Bella Group Lode Exploration, SI056EM* or similar.

The Permit Application Package (“PAP”) is comprised of the following documents:

- A. *Subpart 3 Minimal Impact Exploration Permit Application*, dated April 12, 2023 (“Application”);

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- B. *Agency Review Comments and Request for Additional Information, Bella Group Lode Exploration, Sierra County, New Mexico, Permit Tracking No. SI056EM, issued by MMD, and dated September 15, 2023;*
- C. *Re: New Metals Strategies LLC, Additional information to address Agency Review Comments and Request for Additional Information, issued by the Permittee, and dated October 9, 2023;*
- D. *An email entitled RE: [External] NMS Response to SI056EM – Bella Group Lode Exploration – Agency Review Comments, issued by MMD and dated November 1, 2023;*
- E. *RE: Agency follow-up questions from November 1, 2023, Email., issued by the Permittee and dated November 13, 2023;*
- F. *Nation Wide Permit 6 Verification – Action No. SPA-2023-00510, issued by the Department of the Army, Corps of Engineers, Albuquerque District (“USACE”) and dated December 4, 2023 (“USACE Action No. SPA-2023-00510”);*
- G. *An email entitled [External] Bella Group Lode Exploration – confirmation delete drill hole., issued by the Permittee and dated December 7, 2023;*
- H. *Technically Approvable Determination – Bella Group Lode Exploration issued by MMD and dated December 7, 2023; and*
- I. Financial Assurance (“FA”), in the amount of \$19,400.00, was received by MMD on April 17, 2024, in the form of a Certificate of Deposit No. 5800169921 issued by National Bank of Arizona.

Section 3. **PERMIT AREA**

- A. The Permittee is authorized to conduct mineral exploration and reclamation operations only on those lands that are specifically designated and authorized within the permitted area (“Permit Area”). Exploration activities shall be limited to the locations identified in the PAP. The general vicinity of the Permit Area is located approximately 10 miles south of Truth or Consequences, NM in Sierra County, NM. The Bella 1, 2, 3, & 4 Lode Claims (NM105823342, NM105823343, NM105823344, & NM105823345) are located on Federal Lands administered by the BLM within Section 28 of Township 15 S, Range 4 W.
- B. For this Permit, the Permit Area is defined solely as the following features as proposed in the PAP:
 - 1. The existing access road;
 - 2. The overland access paths;

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3. The exploratory trench and spoil pile locations identified as T1, T2 and T3; and
4. The boring and drill pad locations identified as H2, H3, H4, H5, and H6.

The Permit Area is shown on Figure 1 *Project Overview Map*.

- C. The Permittee is authorized to only disturb up to a maximum of 0.41 total acres within the Permit Area, pursuant to §19.10.3.302.A NMAC.

Section 4. **FINDINGS OF FACT**

The Permit Application Package

- A. The PAP is complete and demonstrates that the proposed operation will meet the performance and reclamation standards and requirements of Subsection D, Paragraphs 1-6 of §19.10.3.302 NMAC.
- B. The PAP provides that the proposed operation meets the standards of a "Minimal impact mining operation," addressed in §19.10.1.7.M(2) NMAC, and in §19.10.3.302 NMAC, and does not fall within the exclusions in §19.10.1.7.M(2) NMAC. MMD and the other agencies reviewed the minimal impact designation pursuant to §19.10.3.302.G NMAC.
- C. The Permittee has paid the initial permit application fee of \$500 as required by §19.10.2.201.F NMAC.
- D. The proposed operation and reclamation, as described in the PAP and this Permit, will meet the requirements of reclamation, as identified in §19.10.1.7.R(1) NMAC of the Rules. The reclamation plan, subject to the conditions in the Permit, demonstrates that the reclamation of the disturbed areas within the Permit Area will result in a condition that allows for the establishment of a self-sustaining ecosystem within the Permit Area that is appropriate for the life zone of the surrounding areas.
- E. The term of the Permit is governed by Subsections A, C and D of §19.10.4.405 NMAC. The permit term shall be one year from the date of the Director's signature on this Permit.

Right-To-Enter / Property Access Information

- F. The 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 the basis on which the Permittee has a right to enter the property to conduct mining, exploration and reclamation. Permittee is solely responsible to take whatever steps

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are necessary to ensure that Permittee has property rights sufficient to support the activities contemplated by the Permit.

General Information Regarding the Permittee

- G. The Permittee is not in violation of the terms of another permit issued by the Director or in violation of a substantial environmental law or substantive regulation at another mining operation, has not forfeited or had forfeited financial assurance in connection with another mining, reclamation or exploration permit, and has not demonstrated a pattern of willful violations of the Act, the Rules or other New Mexico environmental statutes.
- H. The Permittee has signed and certified a statement, provided within the PAP, that the Permittee agrees to comply with the requirements of this Permit, the Rules, and the Act, and allows the Director to enter the Permit Area for the purpose of conducting inspections.

MMD's Request for Comments to the Agencies and Tribes

- I. MMD provided the cooperating agencies (BLM, New Mexico Environment Department, Department of Game & Fish, State Forestry Division, State Historic Preservation Office, and the Office of the State Engineer) with a copy of the PAP pursuant to §19.10.3.302.G NMAC, and requested comments from the agencies on April 25, 2023.
- J. MMD provided the PAP to the following tribal entities and requested review and comment: Comanche Nation of Oklahoma, Kiowa Tribe of Oklahoma, Navajo Nation, White Mountain Apache Tribe, Pueblo of Isleta, Ysleta del Sur Pueblo, Mescalero Apache Tribe, Fort Sill Apache Tribe, and the Hopi Tribe on May 1, 2023. Tribal comments were received from White Mountain Apache Tribe.
- K. MMD provided the Permittee with comments provided by the cooperating agencies and tribal entities on September 9, 2023, via electronic mail.
- L. Permittee provided MMD with sufficient responses to all agencies and tribal comments on October 9, 2023, and November 13, 2023, via electronic mail.

Financial Assurance

- M. The Permittee has provided FA, in accordance with §19.10.12.1201.A NMAC, in the amount of \$19,400.00 (nineteen thousand and four hundred dollars). FA has been provided by the Permittee in the form of Certificate of Deposit number 5800169921 issued by the National Bank of Arizona on April 17, 2024.

Section 5. **COMPLIANCE REQUIREMENTS**

- A. This Permit is issued pursuant to NMSA 1978, Section 69-36-1 et. seq. and Title 19,

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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.

- B. Since a portion of the Permit Area is on Federal Lands, the expiration, or termination, of the BLM's authorization to conduct operations on the property automatically suspends the permittee's authority to continue mining operations on the property under this Permit. Such suspension does not include reclamation operations by the Permit issued under §19.10.3 NMAC.
- C. The 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.

Section 6. **AGENCY RIGHT OF ENTRY**

- A. The Permittee shall allow the authorized representatives of the Director, without advanced notice, upon presentation of appropriate credentials, and without delay:
 - 1) To enter upon, or through, any mineral exploration or reclamation operation at any time, as provided for in §19.10.3.302.I(3) NMAC, for the purpose of conducting inspections during exploration, and reclamation, and to determine if the Permittee is in compliance with the permit requirements and conditions; and
 - 2) At reasonable times, and without delay, have access to and copies of any records associated with permitting and compliance required by the Act, 19.10. NMAC or the Permit.

Section 7. **PERMIT COVERAGE**

- A. This Permit shall be binding on any person or persons conducting mining, exploration and reclamation operations under this Permit.

Section 8. **ENVIRONMENTAL COVERAGE**

- A. The Permittee shall take all necessary steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the Permit, the Rules or the Act.

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Section 9. **COMPLIANCE WITH THE PERMIT APPLICATION PACKAGE**

- A. The Permittee shall conduct mining, exploration drilling and reclamation operations only as described in the approved PAP and any other modifications approved by the Director, pursuant to §19.10.4.406 NMAC. The Permittee shall comply with any and all conditions that are incorporated in the PAP and this Permit.
- B. Where the PAP is ambiguous or in apparent conflict with the provisions outlined in this Permit, the language of this Permit will supersede the PAP.

Section 10. **GENERAL OBLIGATIONS AND CONDITIONS**

Description of Project/Authorized Disturbances

- A. The Permittee is authorized to vertically drill up to a maximum of five (5) boreholes (identified as H2 through H6), with a maximum of 6 inches in nominal outside diameter, up to a total depth of 150 feet deep, using air rotary, mud rotary and/or core drilling. Reclamation of the disturbed areas shall be initiated as soon as possible and completed in accordance with the schedule in this Permit.
- B. The Permittee is authorized to create no more than five (5) drill pad surface disturbance areas (identified as H2 through H6), no greater than forty feet wide by thirty feet long (40'W X 30'L), which includes any disturbance created during reclamation. All equipment and related vehicles shall be contained within the boundaries of the drill pads.
- C. The Permittee is authorized to excavate no more than three (3) exploratory trenches with dimensions no greater than forty feet in length, fifteen feet in depth, and four feet in width (40'L X 4'W X 15'D) and build three (3) related trench spoil piles with dimensions of no greater than fifty feet in length and 11 feet in width (50'L X 11'W), which includes any disturbance created during reclamation.
- D. Access to the borehole locations shall consist of a maximum of 800 feet of overland travel up to 10 feet wide. The Permittee shall minimize any new surface disturbance. To the extent possible, Permittee shall avoid removing or damaging standing live or dead trees and woody vegetation during drill pad set-up and construction, as well as during mobilization of equipment into and out of the Permit Area.
- E. Vehicle and equipment travel along existing roads in the Permit Area shall be limited to the extent of the existing road prism and widening, grading, leveling, smoothing or any other type of improvement of the existing road is not authorized.
- F. The Permittee is authorized to disturb no more than 0.41 acres of total cumulative disturbance (including any disturbance created during reclamation) within the Permit Area as defined in §19.10.3.302.A NMAC. Reclamation activities are considered disturbance

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and shall be restricted to authorized areas. The Permittee shall restrict surface disturbance to authorized areas, including traffic associated with vehicle travel, parking, and turnaround.

Best Management Practices to be Performed

- G. Perform all work, when practicable, in the dry season and postpone work during wet and muddy conditions. Permittee shall use extreme caution when driving hot vehicles over dry vegetated areas to prevent the ignition of a grass or brush fire.
- H. Permittee shall leave all disturbances in a manner that is stable, both long-term and short-term, and non-hazardous to humans and wildlife. The preliminary reclamation plan for the site is generally described in Section 7 of the PAP for SI056EM and within this Permit.
- I. The Permittee shall implement erosion-control measures, or Best Management Practices (“BMP’s”), in a manner that prevents direct impacts to surface water and ephemeral watercourses that are designed, constructed and maintained using professionally recognized standards (e.g., Natural Resource Conservation Service Standards, or the BLM *Gold Book*) for surface disturbances during the exploration project and reclamation activities as needed for erosion control, spill prevention and the avoidance or damage to ephemeral watercourses in the area. Placement of water bar structures or other appropriate measures should be taken to reduce head-cutting adjacent to roads and to prevent roadways from channelizing surface flow.
- J. Erosion control measures or any other BMP’s that are damaged or ineffective shall be repaired, replaced or redesigned, as necessary, within 24 hours, or as soon as reasonably possible, following discovery of damages. The Permittee shall commit to using a variety of erosion-control measures, as needed, if erosion control problems develop.
- K. A minimum setback of 100 feet away from any watercourse within the Permit Area is required, with the exception of the exploratory trenches as permitted by USACE Action No. SPA-2023-00510. (*Watercourse means any channel having definable beds and banks capable of conducting generally confined runoff from adjacent lands. During floods water may leave the confining beds and banks but under normal flows water is confined within the channel. A watercourse may be perennial, intermittent, or ephemeral.*)
- L. No drilling or storage of fuels or chemicals shall take place within any watercourse that is in the Permit Area. Excavation or filling taking place within any watercourse shall be conducted as permitted by USACE Action No. SPA-2023-00510. No excavation or filling outside the scope of USACE Action No. SPA-2023-00510 shall take place within any watercourse.
- M. Appropriate spill clean-up materials, such as absorbent pads, shall be available on-site at all times during road construction, site preparations, and drilling activities to address potential

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spills. Drop cloths or plastic tarps will be placed and secured under rigs while drilling, in addition to any other immobilized, staged, or temporarily stored equipment parked for durations extending longer than 48 hours, to contain any spill or leakage from the drill rig and any other related equipment.

- N. The Permittee shall report all spills immediately to the New Mexico Environment Department (“NMED”) as required by the New Mexico Water Quality Control Commission regulations §20.6.2.1203 NMAC. For non-emergencies during normal business hours, call (505) 428-2500. For non-emergencies after hours, call (866) 428-6535 or (505) 428-6535 (voicemail, 24 hrs. /day). For emergencies only, call (505) 827-9329 (24 hrs. /day) to contact the New Mexico Department of Public Safety.
- O. The Permittee shall comply with all requirements of federal and state laws pertaining to air quality requirements pursuant to §20.2.72 NMAC.
- P. Any water, drill cuttings, mud and drilling additives, and/or fluids produced from the exploration borehole shall be contained entirely within the Permit Area at all times. Mud pits, disposal pits, sumps, or above ground tanks shall be sized to contain the calculated volume of drill cuttings and all drilling fluids and any produced water, while still providing a substantial freeboard or emergency storage capacity.
- Q. All heavy equipment to be used within the Permit Area shall be thoroughly pressure washed and/or steam cleaned prior to introducing any equipment into the Permit Area in order to help prevent the introduction of non-native species to the Permit Area. This cleaning shall remove all soil, seed, vegetative matter or other debris that could contain or hold seed or plant parts. Any heavy equipment that subsequently operates outside this Permit Area shall be treated the same as during the initial mobilization onto the Permit Area. Equipment shall be considered free of soil, seed and plant debris when a visual inspection does not detect such material.
- R. The Permittee shall maintain current MSDS documentation for drilling additives, and any other chemicals to be used throughout the duration of the operation including exploration and reclamation activities and made available for review upon request.

Cultural and Paleontological Resource Preservation Requirements

- S. The Permittee is obligated to comply with procedures established in Section 18-6-11.2 of the Cultural Properties Act, NMSA and §4.10.11 NMAC to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the Permittee shall immediately halt the disturbance and contact the Office of the Medical Investigator and the local law enforcement agency pursuant to Section 18-6-11.2 of the Cultural Properties Act and the Department of Cultural Affairs within 24 hours for

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instructions. The Permittee shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the Department of Cultural Affairs in consultation with Indian Tribes.

Reclamation and Revegetation Requirements

- T. Reclamation of disturbed areas shall occur concurrently, or directly after the completion of exploration operations as weather and field conditions allow. Pursuant to §19.10.3.302.K NMAC, all lands, including overland access routes or terrain damaged in gaining access to existing mine structures, or lands where vegetation is substantially disturbed or whose natural state has been substantially disturbed as a result of the exploration activities, shall be restored as nearly as possible to their original condition and reseeded utilizing an appropriately certified weed-free, pure live seed mixture of native cool- and warm-season grasses and shrubs beneficial to wildlife. The seed mixture, application rate, and recommended planting methodology are listed in Appendix A to this document. Seed mixture may be modified with MMD approval.
- U. Any salvaged topsoil material that is suitable as a plant growth medium, shall be spread over the surface of the drill areas, roads, and other disturbed areas, including any other heavily compacted areas, then raked prior to seeding to prepare a suitable seedbed for seed germination and root growth. The seed mixture shall be broadcast sown immediately after seedbed preparation has been completed and while the soil surface is still friable. After the seed mix has been sown, the soil shall be raked into the surface using hand tools to cover the seed. Reclaimed areas not seeded before or during the summer shall be seeded in late fall to maximize the probability of successful revegetation.
- V. Following the revegetation and reclamation activities, monitoring shall be conducted by the Permittee to assure successful establishment of vegetation and stabilization of the site. Revegetated areas that have not become established by the end of the growing season shall be mitigated by reseeding, mulching, grading, and/or application of waterbars, or other BMP's, to prevent erosion and site degradation.
- W. The Permittee shall notify MMD at least 30 days prior to initiating any reclamation approved pursuant to this Permit. The site will be considered reclaimed and eligible for release of FA, once the following criteria have been met:
- 1) The Permittee has shown that an established a uniform, self-sustaining vegetative cover on disturbed areas, similar in life form to the pre-disturbance vegetation, can be achieved.
 - 2) No significant erosion is evident on reclaimed areas.
 - 3) All drill holes have been plugged and abandoned, and exploratory trenches have been backfilled with spoil pile material, as described in this Permit and the PAP.

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Release of FA addressing plugging and abandonment costs may occur before expiration of the permit term, once the criteria above have been met. Final release of FA addressing surface reclamation may occur after the permit term, if all the release criteria have not previously been met.

- X. All lands to be disturbed shall be addressed under the performance and reclamation standards and requirements of §19.10.3.302 NMAC and in accordance with the reclamation plan provided in the PAP and this Permit. The Permittee is obligated to complete reclamation of all disturbed areas upon completion of exploration activities.

Borehole and/or Well Abandonment

- Y. Each dry borehole shall be plugged using 100% bentonite pellets/chips, dropped from the 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. The hole shall be permanently plugged and abandoned as soon as is practical after drilling is complete. If a water-bearing stratum is encountered, the borehole shall be plugged before the drill rig is removed from the site and must satisfy the requirements of the NMOSE and the NMED for proper plugging of such holes.

If groundwater is encountered, the boreholes shall be considered wells and shall be permitted and sealed pursuant to the NMOSE's *Rules and Regulations Governing Well Driller Licensing, Construction, Repair, and Plugging of Wells*, §19.27.4 NMAC (see §19.27.4.36, *Requirements for Mine Drill Holes that Encounter Water*). An NMOSE-approved *Well Plugging Plan of Operations* shall be provided to MMD following the approval of this Permit or within 30 days after groundwater was inadvertently or unexpectedly encountered during drilling activities. The approved sealant shall comply with all applicable specifications of *ASTM D5299-99*. The Permittee shall ensure that the correct ratio of solids to water is used during the preparation of the approved sealant. Well plugging records shall be sufficiently detailed to document plugging methodology, the proper constitution of approved sealant, and an adequate volume of sealant was used to meet theoretical volumes of plugged intervals shall be provided to NMOSE and copied to MMD. Additionally, the Permittee is required to consult with OSE personnel prior to plugging wet boreholes.

All required NMOSE Permits for this project shall be obtained prior to starting the exploration project.

Changes, Modifications, or Revisions to the Permit

- Z. Any changes, modifications or amendments to the approved Permit shall be approved prior to implementation pursuant to §19.10.3.302.J and §19.10.4.406 NMAC.

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Financial Assurance

- AA. The Permittee shall maintain FA, after approval of this Permit, in the approved amount of \$ 19,400.00 (nineteen thousand and four hundred dollars), using one or more approved FA instruments and until released, pursuant to §19.10.12 NMAC and sufficient to cover third-party costs of sealing, subsurface plugging and surface reclamation of five (5) boreholes, overland travel paths, three (3) exploratory trenches, and drill areas to be completed and reclaimed.

Project Completion Timeline/Termination Report Requirements

- BB. Notwithstanding any other provision of this Permit, the Permittee shall close and abandon all exploratory boreholes, including all wells, within one (1) year of date of permit issuance.
- CC. The Permittee shall submit a termination report, pursuant to §19.10.4.407 NMAC, at the conclusion of the exploration operation, unless the Permittee has applied for renewal of the exploration permit or applied for a mining operation permit. The termination report shall contain the required information in §19.10.4.407 NMAC, and:
- 1) A description of the reclamation measures utilized by the Permittee.
 - 2) Evidence of the seed mix (seed tags from bags) and its application rate utilized by the Permittee.
 - 3) Photographs of the reclaimed areas, including any BMP's utilized by the Permittee during exploration.
 - 4) Global positioning system (GPS) coordinates for the drill holes, well locations, and excavation trenches constructed under this Permit. Trench coordinates should be accompanied by the cardinal alignment of the trench.
 - 5) Copies of the drill hole abandonment and plugging records and forms that includes an affidavit signed by a certified driller attesting to the fact that the holes have been plugged and abandoned according to the requirements of this permit.

Section 11. **CONCLUSIONS OF LAW**

- A. The Director concludes the project meets the requirements of a "Minimal Impact Mining Operation" addressed in §19.10.1.7.M(2) NMAC. The operation authorized by this Permit is eligible as a minimal impact operation, and the Permittee is authorized to operate a minimal impact exploration operation, pursuant to §19.10.1.7.M(2) NMAC and §19.10.3.302.A NMAC.

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- B. The PAP is complete, accurate and complies with the requirements of the Act and §19.10.3.302 NMAC.
- C. The Director has jurisdiction over the Permittee and the subject matter of this Permit and process.
- D. The Permittee is permitted to conduct exploration and reclamation operations within the Permit Area upon the condition that the Permittee complies with the requirements of the Rules, Act, and this Permit, and upon the submission of such termination reports and fees as may be required under §19.10.3 NMAC and §19.10.2 NMAC.

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CERTIFICATION

I certify that I have read, understand and will comply with the requirements of the Permit. I further certify that I am not in violation of the Act or §19.10 NMAC. I also agree to comply with the performance and reclamation standards and requirements of the Permit, the Rules, and the Act, and allow the Director to enter the Permit Area without delay for the purpose of conducting inspections during exploration and reclamation.

Jeni Nongrove
Authorized Representative of the Permittee

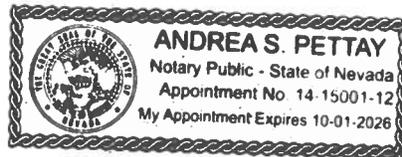
Manager
Title

New Metals Strategies LLC
Company Name

Subscribed and sworn to before me this 1st day of June, 2024^{AP}

Andrea S. Pettay
Notary Public

My Commission Expires
10/01, 2026



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ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit No. SI056EM is approved. New Metals Strategies, LLC, is authorized to conduct mining, exploration drilling and reclamation operations at the Bella Group Lode Exploration project in Sierra County, New Mexico. The Permit may not be transferred without approval by the Director. The Permit is subject to all conditions set out in the Director's Findings of Fact, Conditions and Conclusions of Law.

By Order of the Director, Mining and Minerals Division, 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: 06/18/2024

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Appendix A:

Recommended BLM-MMD Seed Mix & Planting Methodology

Soil in disturbed areas to be reclaimed should be treated to reduce compaction (i.e. limit vehicle traffic). Even very minimal use of roads greatly increases compaction. Soil structure compaction reduces available soil air and water; this reduction kills soil organisms and decreases success rate of re-vegetation.

Seed-bed preparation needs to be done to provide a hospitable environment for germinating seed by breaking up impermeable soil layers that have formed and increasing void spaces for air and water. The ground should be roughed-up prior to planting by raking, harrowing, or other methods.

Seed should be broadcast with a "cyclone" hand seeder or similar broadcast seeder to facilitate an even spread of seed. Hydro-mulching/seeding can also be performed just as long as the soil is prepared prior to application.

After seed is broadcast, the ground should be raked or dragged, to help bury seed and improve soil contact and provide texture. Next, mulch should be placed to prevent loss of moisture and seed to wind.

Mulching is required on all seeding projects and should be applied within one day following seeding. Mulch shall be free of weeds and weed seed and other diseased plant residues. Rotten or molded hay is not acceptable as mulch. Mulching shall be done using one of these following methods:

- A. weed-free straw (2 tons/Ac)
- B. wood residues (sawdust, wood chips, bark (2 tons/Ac)
- C. hydro-mulching (1,500 lb./Ac)
- D. composted manure (5 tons/Ac)
- E. excelsior blanket
- F. straw jute

Straw mulch is not recommended if livestock potentially have access to the area. Livestock should be temporarily fenced-out of any seeded area, if possible, as they will otherwise reduce the possibility of successful re-vegetation. The probability of successful seeding will be considerably increased if fencing remains until reclamation is stable, and plants have grown well enough to withstand grazing. Stabilization would occur after a minimum of three full summer growing seasons after planting. A soil-stabilizer or tackifier may be applied as an overspray after seed and mulch are in place. This tack should be at a sufficient rate to prevent mulch moving due to wind or rain. The following is the link to certified weed-free mulch providers:

<http://aces.nmsu.edu/ces/seedcert/certified-weed-free-fora.html>

Directly after seeding and mulching has been completed, notify MMD and BLM.

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The seed mix below is designed for application prior to the summer rains and the seeding should be completed in mid-June to early July. If applicable, the ratio of cool season to warm season grasses should be adjusted if the seeding is conducted after the summer rains. Alternative seed mixtures planned for application in a specific seeding season shall be submitted to MMD for review and approval prior to seed purchase. **The rates included in Table 1 are broadcast seeding rates.** If drill seeding, reduce the PLS by half.

Table 1. Proposed species list for the seed mix

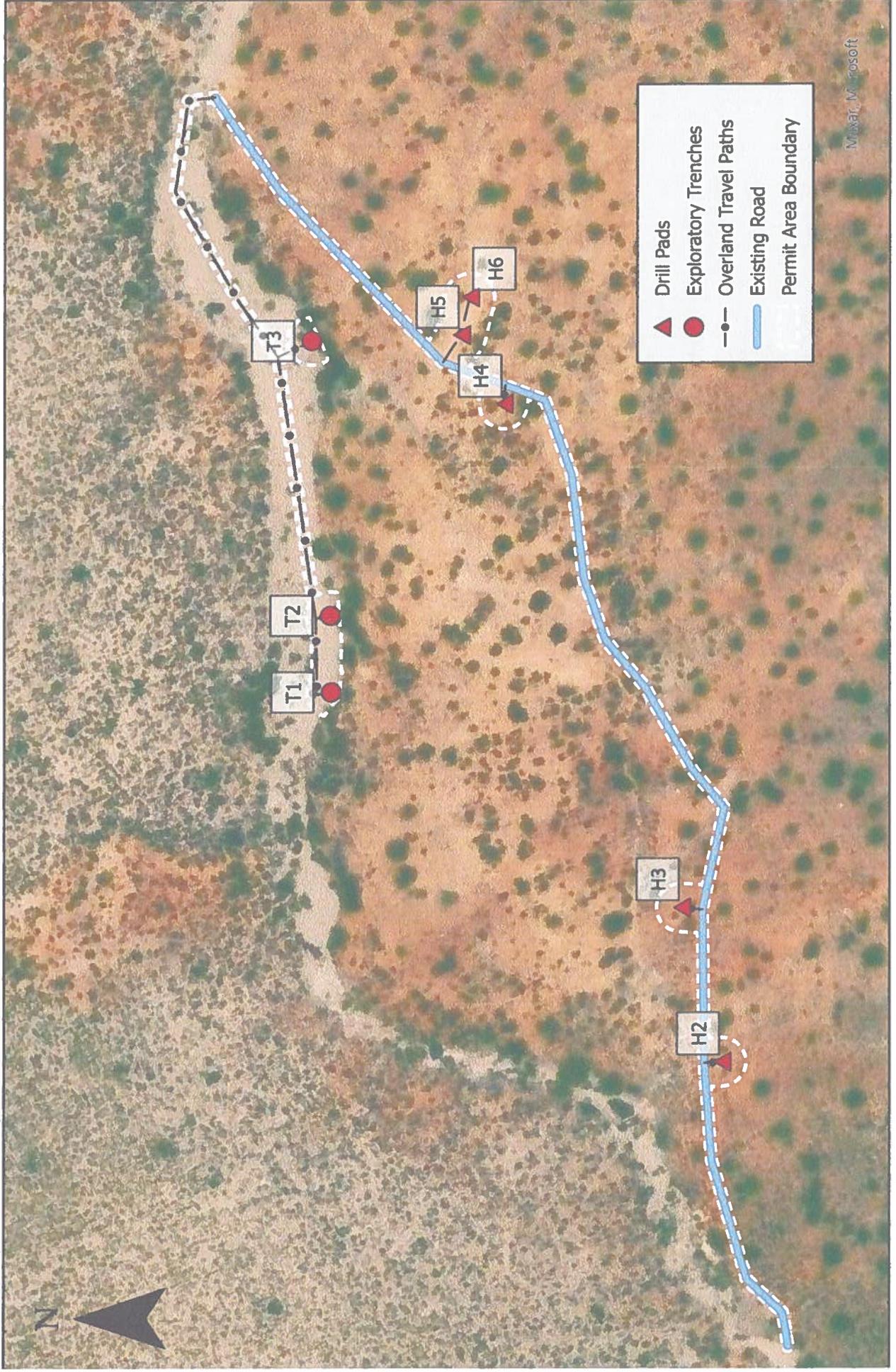
Common name	Scientific name^a	PLS^{ab} (lb/acre)
Tobosagrass	<i>Pleuraphis mutica</i>	4.0
Sideoats grama	<i>Bouteloua curtipendula</i>	1.5
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	0.5
Blue grama	<i>Bouteloua gracilis</i>	1.0
Purple threeawn	<i>Aristida purpurea</i>	1.5
Winterfat	<i>Krascheninnikovia lanata</i>	1.5
New Mexico feathergrass	<i>Hesperostipa neomexicana</i>	2.0
Annual sunflower	<i>Helianthus annuus</i>	3.0
Desert marigold	<i>Baileya multiradiata</i>	0.5
Bush muhly	<i>Muhlenbergia porteri</i>	0.5

^aSeed mix and rates are subject to change based on future investigations.

^bRate is in pounds of pure live seed (PLS) per acre; Substitutions may change seeding rates. NA = not applicable. ND= not determined.

A list of seed vendors can be found at <https://appliedeco.org/restoration/nativeseednetwork/find-seed/>

Figure 1:
Project Overview Map
Sella Group Lode Exploration, Permit No. SI056EM



0 62.5 125 250 375 500 Feet