From: Frank Bain

To: Myers, Kevin, EMNRD; Chisler, Clinton, EMNRD; Ennis, David, EMNRD

Subject: [EXTERNAL] Lordsburg Playa Permit

Date: Monday, January 13, 2025 8:03:30 AM

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January 13, 2025

Frank Bain

2425 Chof Trail

Flagstaff, Arizona 86005

Mr. Kevin Myers – Senior Reclamation Specialist, Permit Lead, H1018EM

Mr. David Ennis – Program Manager

Mr. Clinton Chisler - Reclamation Specialist Supervisor

New Mexico Mining and Minerals Division

RE: Permit Denial and Notice of Inactivity

Lordsburg Playa Lithium Exploration Project

Modification 23-1 Permit No. H1018EM – Hidalgo County, New Mexico

Dear Mr. Myers:

I received your letter regarding my submittal of a modification of my Minimal Impact Exploration Permit for the Lordsburg Playa that requested payment for the increase in the reclamation bond amount or have my permit denied because of inactivity.

Exploration for lithium has been hampered for the past 18 months because of a ninety percent drop in the price of lithium resulting in a huge cutback in exploration spending. Most hard rock lithium exploration projects have been placed on hold, however lithium contained in brine projects, which is the most economical way to produce lithium are still moving forward.

I don't know if you realize the difficulties that I have been faced with trying to advance my project. First, there were the claim jumpers. Arizona Lithium and Lancaster Resources both located mining claims on top of my preexisting valid lode claims which is illegal. My congressman, Eli Crane, and I finally got the attention of the BLM's Las Cruces Field Office in December of 2024, and they are currently investigating this matter. Then the New Mexico State Land Office denied me a Right of Access Permit to cross New Mexico State Trust Land so that I could access my claims. I had to sue the State of New Mexico in order to get permission to access my claims, which took 3 years and cost me more than \$200,000.00. It wasn't until last summer that the NMSLO changed their attitude and issued me a permit so that I could legally access my claims.

Numerous companies are interested in my project because of its immense potential but have shied away because of the legal problems that have now been resolved. This legal exercise took 3 years to resolve and cost me several potential investors, one of which had actually signed a contract with me.

Currently I have several companies that are considering investing in my project including BHP, the world's largest mining company. However, I was advised that no contracts will be signed until President Trump takes office and his policies take effect which will take time.

Denying my application for a revised permit will serve no purpose except to once again delay exploration. Until I can guarantee BHP and others that all the permits are in order, exploration drilling on the Lordsburg Playa will not happen. It would be in the best interest of the State of New Mexico to keep my permit active as the production royalties would be worth millions of dollars should a discovery be made.

Should you decide to deny my current application for a modification, I can absolutely promise you that a new application will be sent to you in short order.

Furthermore, I have no intention of requesting a withdrawal of my current application and the release of the \$17,000.00 Reclamation Bond currently held by the BLM in Santa Fe as the BLM has advised me that by doing so would invalidate my BLM approved Plan of Operations.

I hereby request a one-year extension on my requested permit modification. Let's work together to advance my project as it would be to everyone's benefit.

Regards,

Frank Bain

Lordsburg Playa Claim Owner and Project Manager

Registered Professional Geologist