

PERMIT NO. GR092EM
SUGARLOAF EXPLORATION PROJECT
MINIMAL IMPACT EXPLORATION OPERATION

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
MINING AND MINERALS DIVISION

Permit No. GR092EM (Permit) is issued by the Director of the Mining and Minerals Division (MMD) of the New Mexico Energy, Minerals and Natural Resources Department to:

Whose correct address is: Bonaventure Nevada Inc.
5560 Rue St. Tropez
Reno, NV 89511

(Permittee) for the Sugarloaf Exploration Project, located in Grant County, New Mexico. The Permittee is authorized to drill up to eleven (11) boreholes up to 5 inches in diameter and up to 300 feet deep, utilizing no more than eleven (11) drill pad surface disturbance areas to explore for copper. The Permittee is authorized to disturb a maximum of 4.01 acres.

Section 1. STATUTES AND REGULATIONS

- A. This Permit is issued pursuant to the New Mexico Mining Act, Chapter 69, Article 36 NMSA 1978 (Act).
- B. This Permit is subject to all applicable regulations of the Act, New Mexico Mining Act Rules, 19.10.1 through 19.10.15 NMAC (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 2. PERMIT APPLICATION PACKAGE

The PAP is comprised of the following documents:

- A. *Subpart 3 Minimal Impact Exploration Permit Application* dated August 7, 2023 (Application).
- B. *Amended Application Subpart 3 Minimal Impact Exploration Permit Application* dated October 4, 2023 (Amended Application).
- C. *Revised Plan of Operations* dated October 4, 2023.
- D. *Amended Application Subpart 3 Minimal Impact Exploration Permit Application* dated January 17, 2024 (Amended Application).
- E. *Amended Application Subpart 3 Minimal Impact Exploration Permit Application* dated April 8, 2024 (Amended Application).

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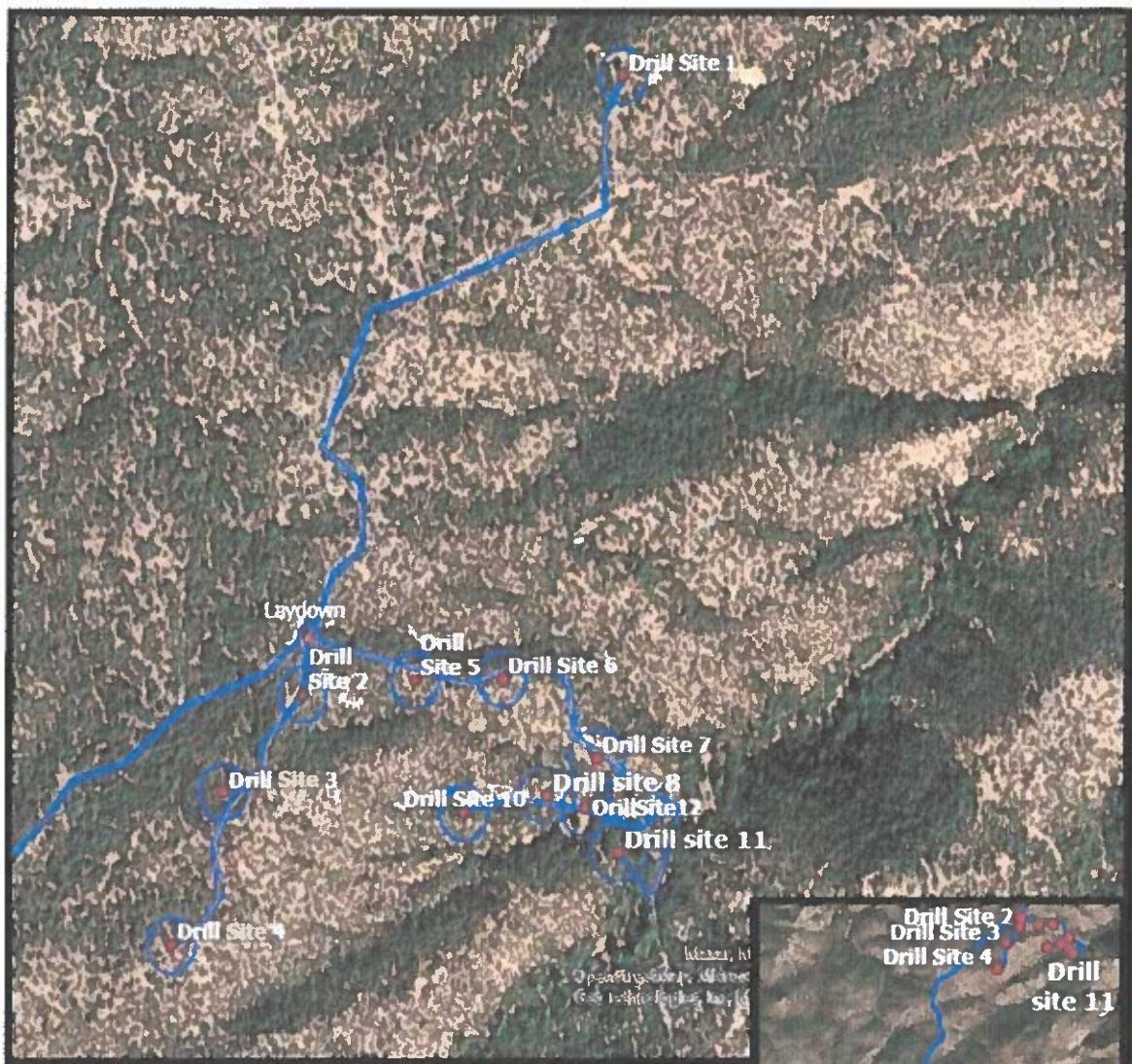
F. *Revised Plan of Operations* dated April 11, 2024.

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 *Sugarloaf Exploration Project GR092EM* or similar.

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) and exploration activities shall be limited to the locations identified in the PAP.
- B. The Permit Area is located on US Forest Service Land; approximately 20 miles from Silver City, and less than a mile due west from the Tyrone Mine in New Mexico. The Permit Area consists of both existing and newly constructed roads (10 ft. with sections up to 14 ft. wide), 11 drill pads (100 ft. by 20 ft.) and a laydown/staging area (50 ft. by 50 ft.).
- C. The Permittee is authorized to disturb up to 4.01 total acres within the Permit Area pursuant to 19.10.3.302(A) NMAC.

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Sugarloaf Exploration (GR092EM) Permit Area

Legend

- Drill Pads and Laydown
- Permit Area Boundary
- Updated Drill Pad locations
- UpdatedDrillPadLocat. B
- PermitAreaBoundary_Bu



Prepared by Samantha Rynas
Energy, Minerals and Natural Resources Department
NM Mining and Minerals Division
Mining Act Reclamation Program



0 0.05 0.1 0.2 Mil

Figure 1 Permit Area (Blue)

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 19.10.3.302(D) NMAC.
- B. MMD and consulting agencies reviewed this PAP in accordance to the standards addressed in 19.10.1.7(M)(2) NMAC, and 19.10.3.302 NMAC. No exclusions within 19.10.1.7(M)(2) NMAC were found and subsequently this project meets the standards of a “minimal impact exploration operation”.
- 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, issuance, and renewal of the Permit is governed by Subsections 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 are necessary to ensure that Permittee has property rights sufficient to support the activities contemplated by the Permit.
- G. As stated in the PAP, the Forest Service controls the surface estate within the Permit Area. The Permittee has satisfactorily demonstrated its right to access to conduct mineral exploration and reclamation pursuant to 19.10.304(D)(1) NMAC through documentation provided to MMD.

General Information Regarding the Permittee

- H. 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

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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.

- I. 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

- J. Application was deemed administratively complete and subsequently MMD provided the cooperating agencies (New Mexico Environment Department, Department of Game & Fish, State Forestry Division, State Historic Preservation Office, the Office of the State Engineer as well as the U.S. Forest Service) with a copy of the PAP pursuant to 19.10.3.302(G) NMAC and requested comments from the agencies on September 18, 2023. All agencies responded by March 2024.
- K. MMD provided the PAP to the following tribal entities and requested review and comment: Fort Still Apache, Hopi Tribe, Mescalero Apache Tribe, Navajo Nation, Pueblo of Acoma, White Mountain Apache, Pueblo of Isleta, and the Pueblo of Zuni on August 11, 2023, and again on August 19, 2024. The White Mountain Apache Tribe responded stating the project will have "No Adverse Effect" to their resources.
- L. MMD provided the Permittee with MMD and Agency technical comments on March 25, 2024.
- M. U.S. Forest Service provided their Plan of Operations Concurrence letter dated July 26, 2024.

Financial Assurance

- N. The Permittee has provided financial assurance in the amount of \$69,849.49 in the form of a Certificate of Deposit No. 1837144904 issued by the Wells Fargo Bank on November 18, 2025.

Section 5. COMPLIANCE REQUIREMENTS

- A. This Permit is issued pursuant to the Act and 19.10 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 the Permit Area is on US Forest Service property, the expiration, or termination, of

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Bonaventure's authorization to conduct operations on the property automatically suspends the Permittee's authority to continue mining operations on the property. 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.

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 create no more than eleven (11) drill pad surface disturbance areas, each no greater than one-hundred feet by twenty feet (100' X 20') as well as a staging area to accommodate all support equipment, including the drill rig, pipe truck, geophysical truck, water truck, trailers, and similar items. The Permittee is authorized to vertically drill up to eleven (11) boreholes each with a maximum of 5 inches in diameter, each up to a maximum of 300 feet deep. The eleven (11) drill hole sites, access roads and laydown/staging area are shown in Figure 1 of this permit.
- B. The Permittee is authorized to site the location of each drill pad area identified within the PAP and in accordance with UTM coordinates and access routes as shown within the PAP, and directly upon existing ground surfaces through overland travel or grading of the drill pads. The Permittee shall minimize any new surface disturbance (e.g., only minor drill pad surface leveling and pit excavation using mechanized earthwork equipment, such as a backhoe or dozer, is permitted).
- C. The Permittee is authorized to create two sections of new roads totaling 0.39 acres (1709 ft. in length and 10 ft. wide). These two road segments are defined in the Application, attachment E. One road being the route to access drill pads 12, 8 and 10, the second being a road to access drill pad 11. Outside of these sections of new road, the Permittee shall utilize existing roads, two-track trails and other dirt roads requiring only minor improvements, wherever possible, for site and drill pad access during all site access, including, but not limited to, drilling and reclamation activities. See below for reference.

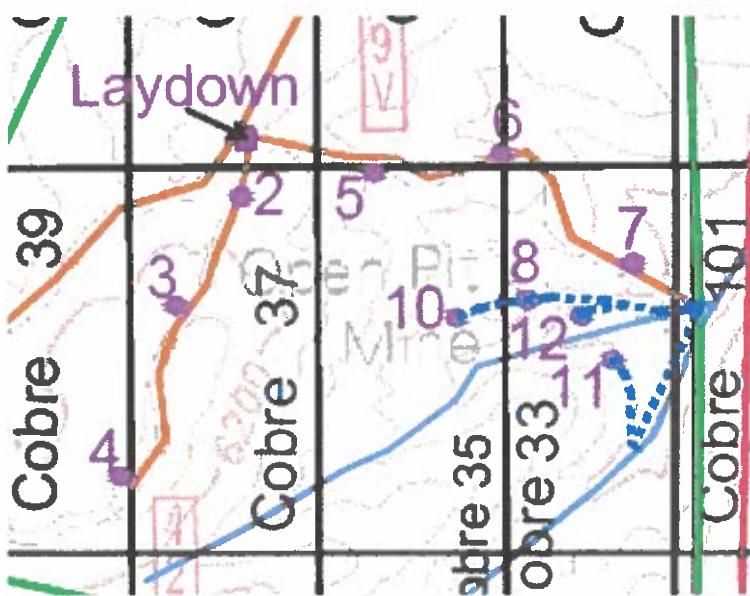


Figure 2 Excerpt from Attachment E; blue dotted lines indicate the new road sections

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- D. 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 project area.
- E. The Permittee is authorized to disturb no more than 4.01 acres of total cumulative disturbance within the Permit Area as defined in 19.10.3.302(A) NMAC. This amount includes all eleven (11) proposed drill pad disturbance areas, staging area and access roads.
- F. Any netting used for the preclusion of wildlife shall be constructed of a sturdy plastic or metal material and adequately supported so that it will not contact the liquid surface if sagging occurs. Monofilament mesh shall not be used, as it can entangle birds and reptiles causing mortalities. Any plastic or metal netting shall be anchored to the ground and maintained taut, and if the mesh size is greater than one inch, it shall be wrapped with an additional finer mesh material around the bottom (up to approximately 12 inches) to exclude reptiles and small mammals.
- G. To minimize the likelihood of adverse impacts to migratory bird nests, eggs, or nestlings during road and drill pad construction activities, any clearing of vegetation shall only take place from September 1 through March 31, thus minimizing the possibility of nest destruction or abandonment. If it becomes necessary to remove vegetation during the breeding season, a bird survey shall be required, and active nests shall be left undisturbed until the young have fledged.
 - For active nests, establish adequate buffer zones to minimize disturbance to nesting birds. Buffer distances should be a minimum of 100 feet from songbird and raven nests; 0.25 miles from most raptor nests; and 0.5 miles for American goshawk (*Accipiter atricapillus*), golden eagle, peregrine falcon (*Falco peregrinus*), and prairie falcon (*Falco mexicanus*) nests.

Best Management Practices to be Performed

- H. Use of the existing two-track roads and overland travel should be avoided within the Permit Area during wet, muddy conditions. Construction or routine maintenance activities should not be performed during periods when the soil is too wet to adequately support construction equipment.
- I. As necessary throughout the Permit Area, and during the use of overland travel and site selection, design, and construction of drill pads and roads, the 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 Application and within this Permit.

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- J. 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.
- K. 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 damage. The Permittee shall commit to using a variety of erosion-control measures, as needed, if erosion control problems develop.
- L. A minimum setback of 100 feet away from any watercourse within the Permit Area is required. (*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.*)
- M. No drilling and no storage of fuels or chemicals shall take place within any watercourse that is in the Permit Area. No excavation or filling shall take place within any watercourse until the required permits or consultations are obtained from the U.S. Army Corps of Engineers. A copy of such approval shall be provided to MMD when obtained.
- N. 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 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.
- O. 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.
- P. Any water, drill cuttings, mud and drilling additives, and/or fluids produced from the exploration boreholes, 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. Any overburden material generated during initial excavation of disposal pits shall be utilized to create an earthen berm partially surrounding each mud pit or sump area, to

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prevent any run-on or run-off from precipitation events flooding onto or escaping the mud pits or the drill pad site. The Permittee shall utilize BMP's, which may include above-ground tanks, to contain any water produced from the exploration holes at the drill site.

- R. Any drilling locations that are situated directly upon bedrock, or otherwise lacking sufficient soil depths necessary for adequate mud pit construction, shall discharge into portable, above-ground tanks that are sized to fully contain all drilling-related fluids. Discharge of this water, or any drilling fluids, to the ground surface or to an ephemeral watercourse (Waters of the U.S.), may be a violation of the Clean Water Act and is prohibited. All drilling cores and any excess drill cuttings shall be collected and disposed of properly.
- S. 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.
- T. Any drilling mud pits, disposal pits, or sumps shall have at least one side constructed at a 3:1 (horizontal: vertical ratio) slope to allow for wildlife egress and shall also be covered with expanded metal grates or fenced and netted in accordance with New Mexico Department of Game and Fish wildlife fencing guidelines. The drilling mud pits and disposal pits shall be covered with expanded metal grates, fenced and netted whenever workers are not present on site, or otherwise modified to exclude both flying and terrestrial animals from any materials present within the mud pits, sumps, or any above-ground tanks that are potentially harmful to wildlife. When drilling is completed, the mud pits shall be allowed to dry and then backfilled with native cover.

Cultural and Paleontological Resource Preservation Requirements

- U. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the Permittee, or by any personnel working on the Permittee's behalf, shall immediately report any such findings to the Historic Preservation Division. The Permittee shall suspend all operations in the immediate area of such discovery until authorization to proceed is issued by the Historic Preservation Division. An evaluation of the discovery will be made by the Historic Preservation Division to determine appropriate actions to prevent the loss of significant cultural or scientific values. The Permittee shall be responsible for the cost of evaluation and any decision as to the proper mitigation measures to be made by the Historic Preservation Division after consulting with the Permittee.
- V. The Permittee is obligated to comply with procedures established in Section 18-6-11.2 NMSA 1978 of the Cultural Properties Act, and 4.10.11 NMAC to protect such cultural

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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 18-6-11.2NMSA 1978 of the Cultural Properties Act and the Department of Cultural Affairs within 24 hours for 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

- W. Reclamation of disturbed areas shall occur concurrently, or directly after the completion of drilling 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 or clearing the drill sites, or lands where vegetation is substantially disturbed or whose natural state has been substantially disturbed as a result of the exploration drilling, shall be restored as nearly as possible to their original condition and reseeded and mulched utilizing an appropriately certified weed-free, pure live seed mixture of native grasses beneficial to livestock and wildlife. Approved seed list is attached.
- X. Where salvageable topsoil is present upon areas to be disturbed, all soil and overburden material shall be stripped, stockpiled and protected for later use during reclamation. Any salvaged topsoil material that is suitable as a plant growth medium, shall be spread over the surface of each drill site, including any other heavily compacted areas, then raked, disked or deep-scarified prior to seeding, to prepare a suitable seedbed for seed germination and root growth. The approved seed mixture shall be broadcast sown immediately after site re-contouring and seedbed preparation has been completed and while the soil surface is still friable. After the seed mix has been sown, the soil shall be dragged with a chain or harrow or raked into the surface using hand tools, to cover the seed. Each reclaimed site shall be mulched with certified weed-free straw, or other mulching materials approved by MMD, and then crimped or tacked in place. Reclaimed areas not seeded before or during the summer, shall be seeded in late fall to maximize the probability of successful revegetation. Within any areas prohibitive to ripping or scarification, the seed shall be hand- or broadcast sown immediately after site re-contouring and seedbed preparation at an application rate double that of the rate prescribed by the MMD, and then raked into the soil and mulched.
- Y. Prior to obtaining or excavating any borrow material for use as a backfilling material and/or for use in surface reclamation activity, the Permittee must first provide MMD with the source location and estimated quantity of this borrow material, including a reclamation plan for the proposed borrow area, for review and approval prior to its excavation or use during surface reclamation. Any borrow source excavation areas approved by MMD, shall be reclaimed, upon completion of excavation materials within the borrow area, then graded

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and re-contoured for positive drainage, and reseeded, as prescribed in this Permit.

Z. 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.

AA. 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 financial assurance, once the following criteria have been met:

- 1) The Permittee has established a uniform, self-sustaining vegetative cover on disturbed areas, similar in life form to the pre-disturbance vegetation.
- 2) No significant erosion is evident on reclaimed areas.
- 3) All drill holes have been plugged and abandoned, as described in this Permit.

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

BB. 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

CC. Pursuant to 19.10.3.302(L) NMAC, each dry borehole shall be plugged from total depth with a column of high-density bentonite clay of sufficient composition, density, weight and viscosity to form an impermeable plug, unless another material is approved by the New Mexico Office of the State Engineer (NMOSE). The high-density bentonite shall be hydrated according to the manufacturer's requirements, and emplaced from the bottom upwards, to approximately 12 feet of the original ground surface. A 10-foot column of cement shall then be added to within approximately 2 feet of the ground surface. The cement shall be hydrated according to the manufacturer's requirements. The remaining hole shall be backfilled with topdressing from above the cement plug to the original ground surface. 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.

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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*. Because of the anticipated hard water conditions concerning the permit area, the permittee is required to use the proper plugging material appropriate for the hardness of water encountered. 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

DD. 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.

Financial Assurance

EE. The Permittee shall maintain financial assurance, after approval of this Permit, in the approved amount of \$69,849.49

Project Completion Timeline/Termination Report Requirements

FF. 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.

GG. 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, at a minimum:

- 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.

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- 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 and/or well locations drilled under this Permit.
- 5) Copies of the drill hole abandonment and plugging records and forms that includes an affidavit signed by a certified driller, engineer, or the project geologist, 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.
- 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.

Ron / / /

Authorized Representative of the Permittee

President

Title

Bonaventure Nevada

Company Name

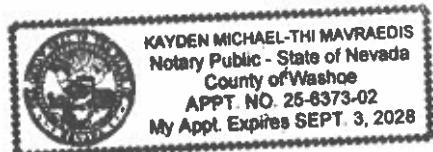
Subscribed and sworn to before me this 26 day of December, ²⁰²⁵ ₂₀₂₃

Kayden Michael-Thi

Notary Public

My Commission Expires September

3rd, 2028



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ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit No. GR092EM is approved. Bonaventure Nevada Inc. is authorized to conduct mining, exploration drilling and reclamation operations at the Sugarloaf Exploration project in Grant 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:



Erin McCullough, Director
Mining and Minerals Division
Energy, Minerals and Natural Resources Department

Date: December 29, 2025