

August 26, 2019

Mr. David Ennis
Reclamation Specialist/Permit Lead
New Mexico Energy, Minerals and Natural Resources Department
Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: New Mexico Copper Corporation Copper Flat Mine
New Mine Permit S1027RN
Financial Assurance Proposal
Transmit SRCE R2 Files

Dear Mr. Ennis,

New Mexico Copper Corporation (NMCC) hereby transmits SRCE R2 files for the Copper Flat Mine LOM Financial Assurance calculation in response to MMD's August 21 Letter to NMCC. Transmitted files are being provided to MMD in 2 separate emails due to file size.

The following files are being transmitted at this time:

1. CuFlat SRCE R2 Transmittal Letter (email 1)
2. CuFlat SRCE R2 Basis of Estimate Memo.pdf (email 2)
3. Att A CuFlat SRCE R2.xlsm (SRCE Excel Spreadsheet, email 1)
4. Att B CuFlat SRCE R2 Figures.pdf (email 2)
5. Att C CuFlat SRCE R2 Cost Data File.pdf (email 2)
6. Att E CuFlat SRCE R2 Equipment.pdf (email 2)
7. Att N CuFlat SRCE R2 HDPE Liner.pdf (email 2)

Files for attachments D, F, G, H, I, J, K, L, and M have not changed from the R1 submittal and the files are not being re-sent.

Please let me know of any questions or additional information needs you have at this time.

Sincerely,



Jeff Smith
Chief Operating Officer
New Mexico Copper Corporation