



John Storie
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Clinton M. Chisler
Mining and Minerals Division
Mining Act Reclamation Program
Wendell Chino Building 3rd Floor Room 363
1220 S. St. Francis Drive
Santa Fe, NM 87505

November 24, 2020

Kennecott Exploration – Steeple Rock Project - Reclamation Report

Dear Mr. Chisler,

Please see the accompanying report regarding Kennecott Exploration's completion of the reclamation work at the Steeple Rock Project. Please let me know if you have any questions or concerns regarding the reclamation.

Yours sincerely

A handwritten signature in dark ink, appearing to read "John Storie", written in a cursive style.

John Storie
Senior Project Geologist

cc. E. Best
C. Roberts

In February of 2020, Kennecott Exploration Company completed construction of two exploration drilling sites, permitted as 19PDS-Fr and 19PDS-Ir under the [GR082EM Kennecott Steeplerock Minimal Impact Exploration Permit](#). New access trails leading to both sites, and maintenance on the existing access road were also constructed at the same time.

No boreholes were constructed on either site, thus no hole abandonment was necessary. While active, all sumps that were created were kept fenced, and no disturbance or entrapment to wildlife was noted during this period. Reclamation of the two drill sites and associated access trails was completed November 10th – 13th, 2020. All reclaimed areas were immediately re-seeded using the native seed mix recommended by the MMD, with the exception of Arizona fescue (*Festuca arizonica*) in place of Bush muhly (*Muhlenbergia porter*); this substitution having been approved by the MMD prior to placement (a copy of the seed mix is provided in Figure 3 below). The area where the drilling sites were constructed is on an active cattle ranch, where livestock have access to the area, as such, straw mulch was not placed. The sites were left unfenced at the request of the landowner. The minimum maintenance that was done to the existing “Goat Camp Road” was largely left as is. Any berms or ridges that were created from driving the heavy equipment through were flattened, especially in the (dry) washes, to allow any runoff to flow unimpeded, and such that no fill was added to the wash.

The total amount of disturbed area was calculated at 0.75 acres (0.23 acres per drill site, and 0.29 acres for the access trails), all of which was reclaimed. Reclamation photos can be found below. A follow up visit will be scheduled for April 2021 to check on the progress of the reclamation and to see if any additional work or seeding is needed.

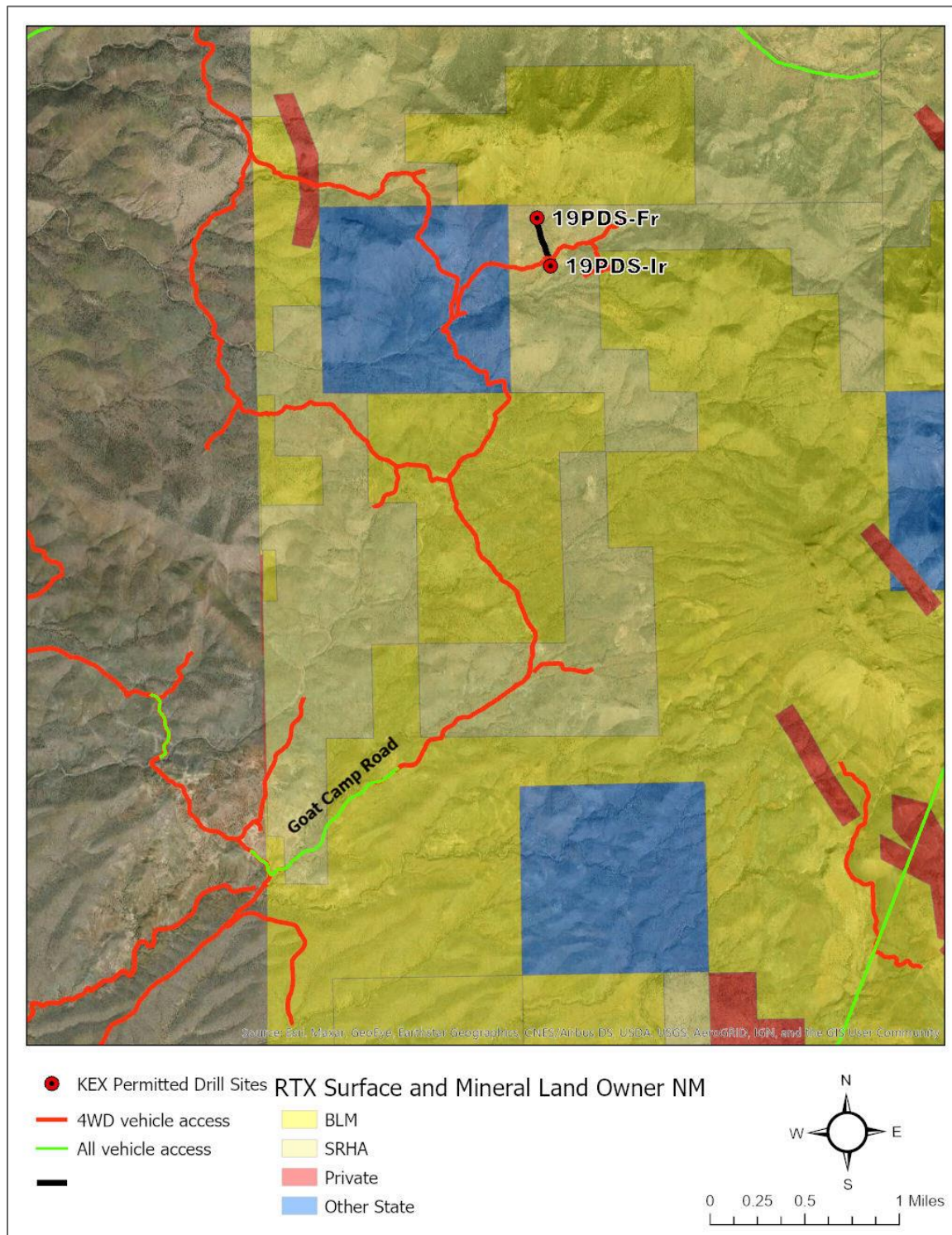


Figure 1: Location map of Kennecott drill sites with landowner status and roads. Drill sites are located in T16S R21W S33 NW1/4, Grant County. New Mexico/Arizona border is on the left quarter of the image.

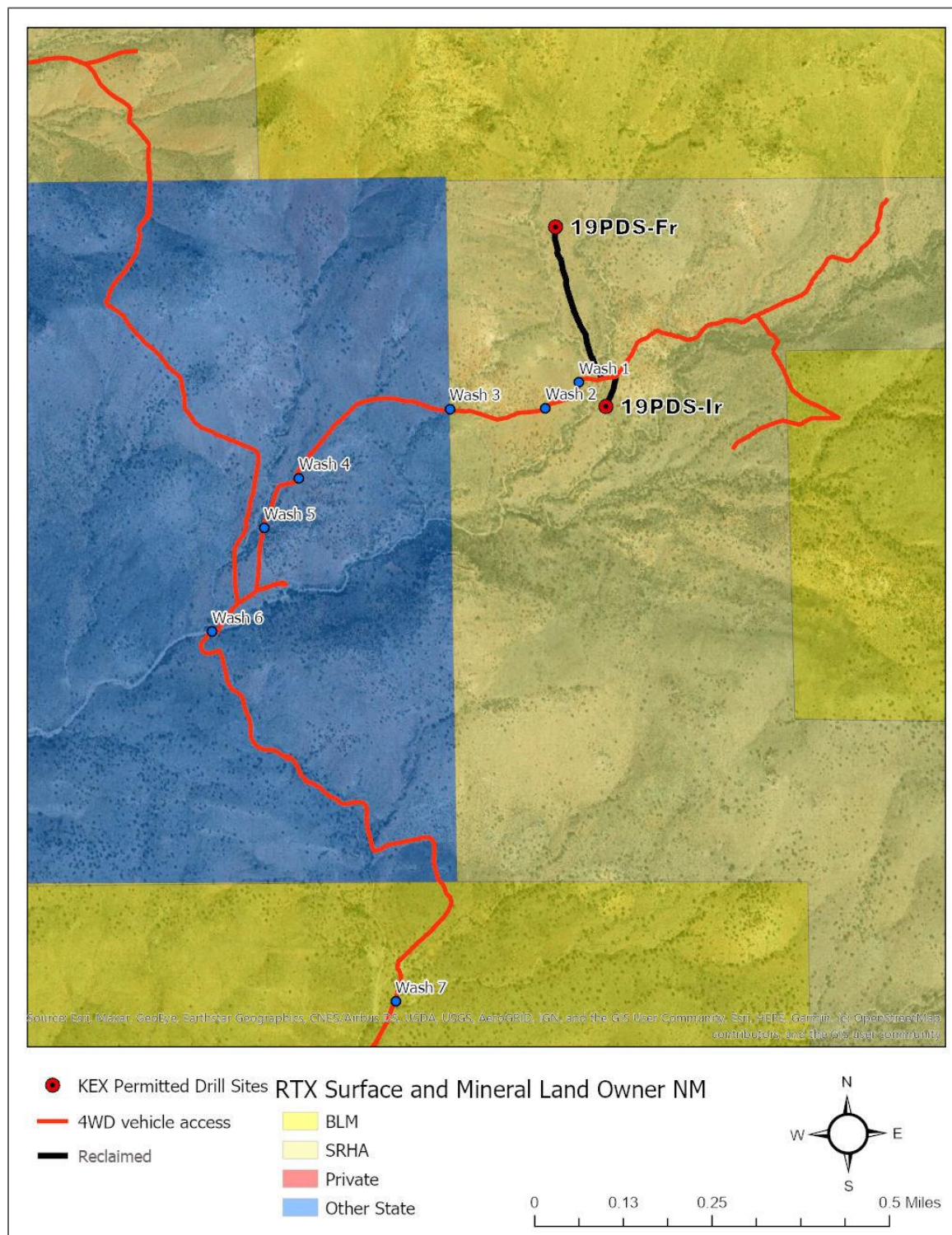


Figure 2: Kennecott drill sites and access trails. Existing roads are in red, and reclaimed roads are in black.



490 East 76th Ave., Unit A
Denver, Colorado 80229
Toll Free (888) 577-5650
Fax (888) 695-5450

INVOICE

Invoice Date:
09-Mar-20

Invoice Number: **7-03094**

(please show this invoice number on all payments)

Project: Steeple Rock

Sold To:
Rio Tinto Kennecott Exploration Company
1730 S Racine Ln.
Gilbert, AZ 85295

Will Call:
Rio Tinto Kennecott Exploration Company

Terms: Net 30	Customer P.O.	Ordered By: John Storie	Phone Number: 801-238-2411	Customer Number: G10281
Shipper: Will Call	Freight: Prepaid/Collect	FOB:	Sales Rep: Tren Hagman	Date Shipped: 09-Mar-20

Pricing	Quantity Shipped PLS Bulk	Description	Variety	Price	Total
*** MIX # 203382 Steeple Rock ***					
PLS #	4.50	5.04	Bouteloua gracilis	Hachita	
PLS #	1.50	1.60	Blue grama	VNS	
PLS #	3.00	3.88	Sporobolus cryptandrus	VNS	
PLS #	1.50	1.69	Sand dropseed	VNS	
PLS #	6.00	9.07	Aristida purpurea	Redondo	
PLS #	0.38	0.48	purple threeawn	VNS	
PLS #	0.38	0.42	Festuca arizonica	VNS	
			Fescue, Arizona	VNS	
			Krascheninnikovia lanata	VNS	
			Winterfat	VNS	
			Sphaeralcea ambigua	VNS	
			Desert globemallow	VNS	
			Baileya multirediata	VNS	
			Desert mangold	VNS	
MIX SUBTOTAL (1.5 Acre @ \$ 297.7500 Per Acre): \$ 446.63					

Notes:

\$446.63 paid by Mastercard

Subtotal:	446.63
Freight:	0.00
Sales Tax:	Tax Exempt
GRAND TOTAL:	\$ 446.63
PLEASE PAY PER THIS INVOICE. NO STATEMENT WILL BE SENT.	

Please read the reverse side of this form carefully. The terms and conditions of sale set forth on both sides of this form constitute the entire agreement between Seller and Buyer. All purchases of products by Buyer shall be governed and subject to the terms and conditions of sale set forth on the reverse side hereof, as in effect from time to time, and nothing contained in any product order of buyer shall in any way modify such terms and conditions of sale or add any additional terms and conditions unless agreed upon in writing by a corporate officer of Granite Seed. Any additional or inconsistent terms and conditions of any product order of Buyer shall be deemed stricken from such order and each product order shall be deemed to incorporate all of these terms and conditions of sale. Acceptance by Buyer of these terms and conditions is acknowledged by either (1) Buyer's signature set forth herein, or (2) receipt by Buyer of delivery of the products described here in and failure by Buyer to return such products within five (5) days following such delivery.

Figure 3: Native seed mix used for re-seeding of reclaimed areas.

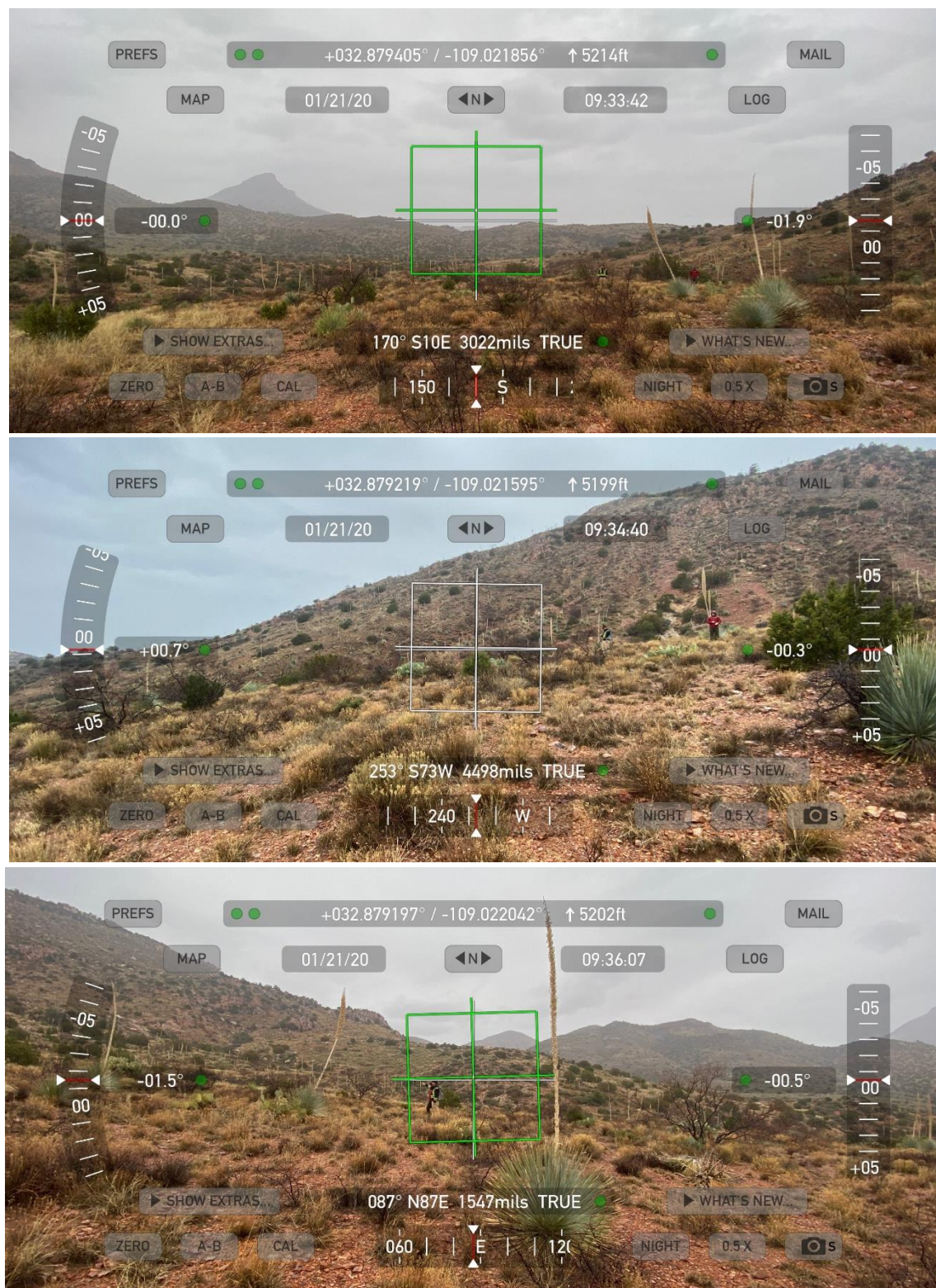


Figure 4: 19PDS-Fr before construction of drill site.

Date & Time: Thu, Feb 20, 2020, 15:08:44 MST
 Position: +032°52'46.16" / -109°01'19.02" (±4.8m)
 Altitude: 1592m (±3.3m)
 Datum: WGS-84
 Azimuth/Bearing: 169° S11E 3004mils True (±12°)
 Elevation Angle: -00.4°
 Horizon Angle: +00.3°
 Zoom: 0.5X



Date & Time: Thu, Feb 20, 2020, 15:08:13 MST
 Position: +032°52'45.79" / -109°01'18.09" (±4.8m)
 Altitude: 1587m (±3.3m)
 Datum: WGS-84
 Azimuth/Bearing: 216° S36W 3840mils True (±12°)
 Elevation Angle: -00.5°
 Horizon Angle: -00.1°
 Zoom: 0.5X



Date & Time: Thu, Feb 20, 2020, 15:09:12 MST
 Position: +032°52'45.78" / -109°01'19.65" (±4.9m)
 Altitude: 1588m (±3.2m)
 Datum: WGS-84
 Azimuth/Bearing: 132° S48E 2347mils True (±12°)
 Elevation Angle: -00.6°
 Horizon Angle: -00.9°
 Zoom: 0.5X



Figure 5: Drill site 19PDS-Fr after construction, before reclamation.

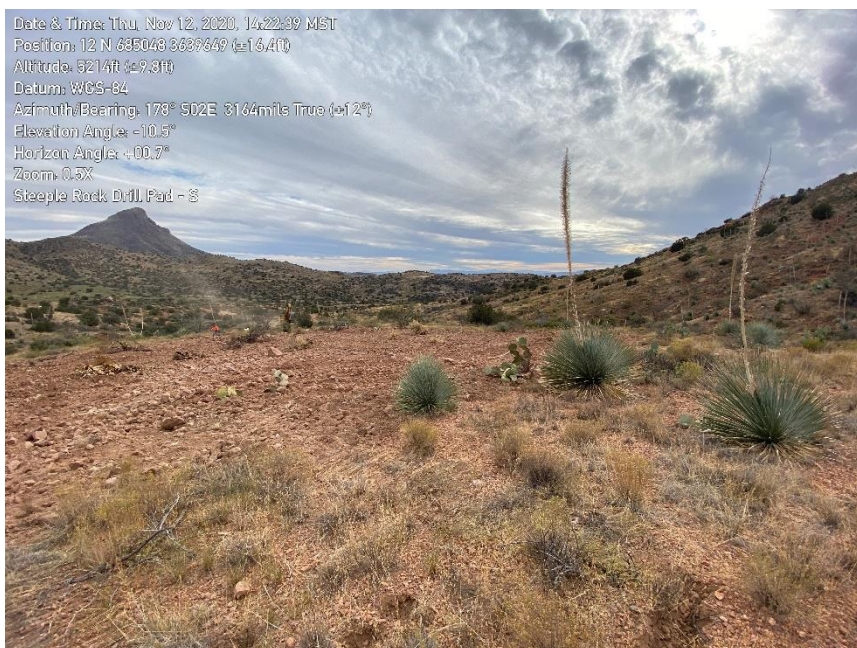


Figure 6: Site 19PDS-Fr after reclamation.

Date & Time: Tue, Feb 18, 2020, 13:32:11 MST
 Position: +032°52'35.16" / -109°01'15.59" ($\pm 5.0\text{m}$)
 Altitude: 1547m ($\pm 3.1\text{m}$)
 Datum: WGS-84
 Azimuth/Bearing: 298° N62W 5298mils True ($\pm 12^\circ$)
 Elevation Angle: -00.1°
 Horizon Angle: -00.2°
 Zoom: 0.5X



Date & Time: Fri, Nov 13, 2020, 09:49:30 MST
 Position: 12 N 685141 3639320 ($\pm 17.1\text{ft}$)
 Altitude: 5077ft ($\pm 8.4\text{ft}$)
 Datum: WGS-84
 Azimuth/Bearing: 318° N42W 5653mils True ($\pm 11^\circ$)
 Elevation Angle: -09.6°
 Horizon Angle: $+00.8^\circ$
 Zoom: 0.5X
 Steeple Rock access wash - looking upstream



Figure 7: Wash crossing going to 19PDS-Fr.

Date & Time: Wed, Nov 11, 2020, 13:17:01 MST
 Position: 12 N 685145 3639168 (± 15.7 ft)
 Altitude: 5056ft (± 10.9 ft)
 Datum: WGS-84
 Azimuth/Bearing: 002° N02E 0036mils True (± 12 ")
 Elevation Angle: -04.7°
 Horizon Angle: -00.4°
 Zoom: 0.5X
 Steeple Rock LZ - N



Date & Time: Wed, Nov 11, 2020, 13:17:56 MST
 Position: 12 N 685163 3639184 (± 15.9 ft)
 Altitude: 5056ft (± 10.5 ft)
 Datum: WGS-84
 Azimuth/Bearing: 271° N89W 4818mils True (± 12 ")
 Elevation Angle: -10.8°
 Horizon Angle: +02.2°
 Zoom: 0.5X
 Steeple Rock LZ - W



Date & Time: Wed, Nov 11, 2020, 13:16:26 MST
 Position: 12 N 685125 3639179 (± 15.6 ft)
 Altitude: 5057ft (± 11.0 ft)
 Datum: WGS-84
 Azimuth/Bearing: 081° N81E 1440mils True (± 12 ")
 Elevation Angle: -05.6°
 Horizon Angle: -00.8°
 Zoom: 0.5X
 Steeple Rock LZ - E



Date & Time: Wed, Nov 11, 2020, 13:14:57 MST
 Position: 12 N 685148 3639207 (± 57.1 ft)
 Altitude: 5059ft (± 25.7 ft)
 Datum: WGS-84
 Azimuth/Bearing: 179° S01E 3182mils True (± 12 ")
 Elevation Angle: -14.2°
 Horizon Angle: -00.0°
 Zoom: 0.5X
 Steeple Rock LZ - S



Figure 8: 19PDS-Ir after reclamation.