



**FMG, INC.** 3700 Sturgis Road, Rapid City, South Dakota 57702-0317 605/342-4105  
www.fmgengineering.com

**RECEIVED  
FEB 25 2013**

**MINERALS & MINING PROGRAM**

February 21, 2013

**Mr. Eric Holm**  
**Natural Resources Engineer III**  
Minerals and Mining Program  
Joe Foss Building  
523 East Capitol Avenue  
Pierre, SD 57501-3182

**Re: Mineral Mountain Resources EXNI Permit Request  
Holy Terror Project, Keystone, SD**

Dear Mr. Holm,

Mineral Mountain Resources LTD is preparing for additional mineral exploration activities at the referenced project. FMG has been retained to assist them in preparation of the permitting requirements and related activities for this effort.

Please see the attached Notice of Intent to Conduct Mineral Exploration with original notarized signatures, commonly referred to as an "EXNI" for the site. Please direct any questions or concerns to FMG and we will address them and consult with MMR as necessary to accommodate your interests. We would also welcome any site visits and coordinate this with you as necessary.

We look forward to a positive working relationship, and the common interests of a safe and proper exploration program. Thank you for your time and attention to this project.

Sincerely,

**FMG Inc.,**

R. Rick Baker, P.E.

cc: Mineral Mountain Resources, LTD  
FMG file # 120196

Department of Environment and Natural Resources  
Minerals and Mining Program  
Joe Foss Building  
Pierre, South Dakota 57501-3182  
Telephone: (605) 773-4201 Fax: (605) 773-5286

**NOTICE OF INTENT TO CONDUCT  
MINERAL EXPLORATION OPERATION  
(Excluding Uranium)**

**Name of Operator:** Mineral Mountain Resources Ltd.

**Address:**

Mineral Mountain Resources Ltd  
1195 West Broadway, Suite 401  
Vancouver, BC V6H 3X5

**Name and Address of Operator's Resident  
Agent in South Dakota:**

Max Main  
Law Offices of Bennett, Main & Grubbrud  
Belle Fourche, SD 57717-1489

**Telephone Number:** (604)-714-0011

**Telephone Number:** (605)-892-4084

**Brief Description of the Type of Exploration to be Conducted. Include a list of all minerals to be explored and a description of methods (e.g. drill rig type, proposed depth for each test hole, length of access road construction, and/or other).**

See Attachment 1

**Will the Operator Conduct Uranium Exploration? (No) If Yes, a Permit Pursuant to SDCL 45-6D Must be Obtained.**

**Date Exploration Will Commence:** On or about March 29, 2013

**Legal Description of Land to be Explored by Section, Township, and Range:**

NE5-2S-6E  
NW5-2S-6E  
SE5-2S-6E

**County:** Pennington

**What Legal Authority Does the Operator Have to Conduct Exploration on the Above-Described Land? Attach copy if available.**

Deed:    Lease:    US Forest Service Permit:    Pending US Forest Service Permit:

(x) Other: Patented Mining Claims

This Notice of Intent Must be Accompanied by:

1. A Plan Of Reclamation Pursuant to Section 8.
2. A Topographic Map Pursuant to Section 9.
3. A Fee of \$250 Pursuant to Section 17
4. A Surety Bond in an Amount to be Determined by the Department Pursuant to Section 19.
5. Any Written Landowner Consultations Giving Alternative Preferences for the Reclamation of the Affected Land Pursuant to Section 16.

Applicant affirms that the surface owner has been notified of the proposed mineral development and that said surface owner is aware of his rights to compensation for damages to property pursuant to SDCL 45-5A. Applicant hereby affirms that the mineral exploration will be conducted pursuant and subject to the provisions of SDCL 45-6C, and all regulations promulgated there under, that he will grant access to the Board of Minerals and Environment or its agents to the area under notice from the date of the notice and thereafter to assure compliance with the provisions of SDCL 45-6C.

*I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.*

N.W. Rayner  
Signature

February 21, 2013  
Date

Vice President  
Title

STATE OF South Dakota

COUNTY OF Pennington

On this 21st day of February, 2013, before me personally appeared

Norman W. Rayner who acknowledged himself to be

the Vice President for Mineral Mountain Resources, Ltd.  
(Title) (Operator)

and that he is authorized to execute this Notice for the purposes contained therein.

Nancy M. Malone  
Notary Public

My Commission Expires: 11-10-16

SEAL

FOR DEPARTMENT USE ONLY

DATE APPROVED: BOND AMOUNT: EXNI NUMBER: \_\_\_\_\_  
Chairman, SD Board of Minerals & Environment

EXNI App. 499



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MINERALS & MINING  
PERMITS DIVISION

**Attachment 1:** *Brief Description of the Type of Exploration to be Conducted. Include a list of minerals to be explored and a description of methods (e.g. drill rig type, proposed depth for each test hole, length of access road construction, and/or other).*

Exploration is for gold and associated minerals. Surface drilling will occur at 80 drill setups. All drill setups are located in the Northeast, Northwest and Southeast quarters of Section 5, Township 2 South, Range 6 East. These setups are visually represented in magenta on the attached topographic map. The stated setup sites are all located on privately owned land (patented mining claims).

The drill rig type is a conventional diamond drill core rig that uses a 2.98 inch NQ core. Ten (10) drill holes are to be drilled from each setup location. No drill hole will exceed 3,000 ft. in depth. Access to all 80 drill setup sites will predominantly be via existing roads; if necessary new trails will have to be made with a view for possible reclamation to approximate original contour and vegetation and done with as minimal disturbance as practically possible. All construction will be in accordance with sound engineering practices, and suitable erosion control will be implemented. Approximately 170 feet of 25 foot wide new road will need to be constructed, totaling less than .1 acres of disturbed ground Any timber that is cut to put in a new road will be dealt with according to the state regulations. Drill pads will be a maximum of 100 x 100 feet to permit enough room for the drill rig (50 feet in length), support truck (50 feet in length), water truck (30 feet in length), and two half ton pickup trucks (10 feet in length each). The total disturbance for each drill site is less than .5 acres.

All drilling will occur in the metamorphic Precambrian rocks of the central Black Hills. Based on prior drilling in the area, it is not expected that any aquifers will be encountered in the drilling program. However, in the event an aquifer is penetrated during drilling, the Department will be notified as soon as practically possible. All drilling fluids and drill cuttings will be collected in a PVC sump as to make sure there is no discharge of drilling fluids to the surface or any surface waters.



All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review recommendation, or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification, consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

Pursuant to SDCL 1-40-27, I certify that I have read the forgoing provision of state law, and that I am not disqualified by reason of that provision from obtaining the permit for which application has been made.

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Dated this 21st day of February, 2013

N.W. Rayner  
Applicant

Subscribed and sworn before me this 21st day of February, 2013

Nancy M. Malone  
Notary Public

My commission expires: 11-10-16



PLEASE ATTACH SHEET DISCLOSING ALL FACTS PERTAINING TO  
SDCL 1-40-27 (1)(a) THROUGH (e).  
ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT  
AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION

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Department of Environment and Natural Resources <sup>MINERALS & MINING PROGRAM</sup> EXPLORATION RECLAMATION PLAN  
Minerals and Mining Program

Joe Foss Building  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3182  
Telephone: (605) 773-4201 Fax: (605) 773-5286

Pursuant to SDCL 45-6C-8 and 45-6D-9

In preparing this Reclamation Plan, please address each item in detail, following SDCL 45-6C-8 and 45-6D-9. Also, refer to the reclamation standards outlined under SDCL 45-6C-27 through 45-6C-34, SDCL 45-6D-33 through 45-6D-39, and the state's hole plugging regulations as detailed under ARSD 74:11.

1.) **Describe the type of reclamation the operator proposes to achieve in the reclamation of the affected land.**

The reclamation to be achieved by Operators plan of reclamation of the affected land is to provide for the rehabilitation of plant cover and soil stability (as well as water resources if affected by the exploration activity) appropriate to the subsequent beneficial use of the explored land. The land on which exploratory drilling will occur is undeveloped and primarily wooded grassland. The affected land will be reseeded with a native grass mixture recommended by the Pennington County District Conservationist. The mixture will be requested from the Conservationist immediately prior to reseeding. Any affected or removed timber will be dealt with in accordance to state regulations.

2.) **Provide a proposed timetable for seeding and replanting indicating when and how the reclamation plan will be implemented. Such timetable shall be developed after consulting with the County District Conservationist as to the nature of the soils and native vegetation in the area of the proposed operation. These recommendations shall be followed, if any are provided, and copies of all correspondence shall be provided to the Department.**

A PVC-lined sump will be dug on the drill pad to catch drill cuttings and water. When work is complete at the site the PVC sump will be disposed of accordingly, and the pit will be back-filled. Any drill cuttings that are not caught by the PVC slump will be scattered on the drill site as soon as possible after completion of drilling.

The drill sites will be smoothed, contoured, and seeded with the Black Hills reclamation mix of native grasses approved by the Pennington County District Conservationist, after Phase I of drilling is complete. Due to the extremely limited impact of the drilling on the site, no significant reclamation is expected to be necessary. Copies of any correspondence with the Pennington Country District Conservationist will be provided to the Department.

3.) **Describe how the reclamation plan will rehabilitate the affected land.**

Exploration will occur on lands that are primarily wooded grasslands and all reseeding, if necessary will be carried out in accordance with the recommendations of the Pennington County Conservationist in a manner that will rehabilitate the land to its' status prior to exploratory drilling.

- 4.) **Describe the anticipated temporary and permanent plugging and capping procedures to be used (refer to SDCL 45-6C-28 through 45-6C-30, SDCL 45-6D-33 through 45-6D-35, and the state's hole plugging regulations as detailed under ARSD 74:11).**

The drill holes will be 2.98 inches in diameter (NQ core). If a drill casing is left in a bore; all drill holes will be temporarily capped with an inscribed tapered concrete plug or a suitable equivalent of a sufficient diameter as to prevent it from slipping below the surface. Each capped drill hole will be visibly marked with a steel fence post with a minimum height of 42 inches above the surface of the ground. The applicant may also apply for a temporary delay pursuant to SD 45-6C-28 in the event a bore hole needs to be left open for an extended period of time.

Once it has been determined that the exploration drill holes are no longer of value to the exploration program, the holes will be permanently plugged in accordance with the plugging standards detailed in State's plugging regulations under ARSD 74:11.

- 5.) **Provide the estimated cost of: a) implementing and completing the proposed reclamation and; b) the estimated cost of plugging and sealing each test hole.**

The implementation and completion of the proposed reclamation will carry an estimated cost of \$250.00 per drilling site if any reseeding is necessary.

The estimated cost of plugging and sealing each test hole is \$200.00 to \$500.00 per drill hole.

Any construction of new drill roads or if any existing drill roads are to be reclaimed, they will be reclaimed as requested by the representatives of the State and the surface owners.

**I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.**

Operator Signature: *M.W. Rayne*

Title: Vice President Date: February 21, 2013

CPA-4 ID 116

SEEDING PLAN AND RECORD

FEB 25 2013

Cooperator Mineral Mountain - FMG Eng. County Pennington MINERALS & MINING PROGRAM MLRA 62  
 Program CTA Practice No 342 Practice Name Critical Area Seeding  
 CI or Referral No \_\_\_\_\_ Seeded by: \_\_\_\_\_

PLANNED

APPLIED

Field Number	
Seedbed Preparation	Clean, smooth, weed free seedbed will be prepared
Seeding Equipment	Broadcast and drag
Acres	10
Seeding date	EARLY SPRING PRIOR TO 5/15
Site	Loamy or Silty Texture
Protection Provided	Clip weeds before they compete for moisture and light.

PLANNED

Seed Species	Variety or Seed Source 1/ may be Common or improved variety listed	Pure Live Seed (PLS) lbs/ac Full Rate	Percent in Mixture	Pure Live Seed (PLS) lbs/ac Needed	Acres to Seed	PLS lbs Required
Canada wildrye	Mandan	15.151	30.0	4.55	10	45.45
Slender wheatgrass	Pryor	14.052	25.0	3.51	10	35.13
Western wheatgrass	Rosana	19.446	30.0	5.83	10	58.34
Prairie junegrass	Common	1.882	15.0	0.28	10	2.82

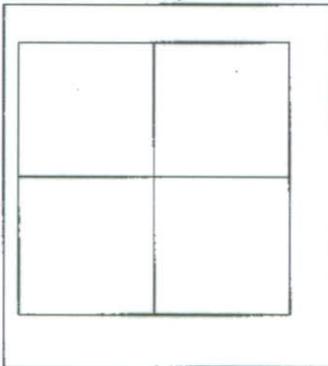
Annual Rye 2-5 2-5 20-50

Origin of non-varietal (common) grass seed of both native and introduced species is limited to IA, MN, MT, ND, NE, SD, and WY.  
 Thickspike wheatgrass may be substituted for western wheatgrass if the later is not available and only west of the Missouri River. Multiply the western wheatgrass seeding rate by .72.

APPLIED

Seed Species	Variety or Seed Source	Percent Purity	Percent Germination	Pounds Bulk Seed Planted	Acres Certified	PLS Pounds Planted

Plan Map



N Tract \_\_\_\_\_ Planning assistance by Matthew Odden 8/24/2012  
 (Name and Date)  
 Practice Meets SD Standards and Specifications: Yes No  
 S. 4 & 5  
 T. 2S Certified By: \_\_\_\_\_  
 (Name and Date)  
 R. 6E Recheck of Quantities By: \_\_\_\_\_  
 (Name and Date)