

**PLAN OF OPERATIONS FOR MINING ACTIVITIES
ON NATIONAL FOREST SYSTEM LANDS**

USE OF THIS FORM IS OPTIONAL 1st TIME USERS SHOULD DIRECT QUESTIONS REGARDING THIS FORM OR REGULATIONS (36 CFR 228A) TO THE FOREST SERVICE DISTRICT OFFICE NEAREST YOUR AREA OF INTEREST.

Submitted by:	<i>John W. Laker</i> Signature	<i>President & CEO</i> Title	<i>12-06-16</i> Date <small>(mm/dd/yy)</small>
	Signature	Title	Date <small>(mm/dd/yy)</small>
Plan Received by:	<i>Darryl D. Hoag</i> Signature	<i>SOUTH ZONE GEOLOGIST</i> Title	<i>12/12/16</i> Date <small>(mm/dd/yy)</small>

I. GENERAL INFORMATION

- A. Name of Mine/Project: South Cochrane / Brown Jug Drill Hole Exploration Program
- B. Type of Operation: Exploration
(lode, placer, mill, exploration, development, production, other)
- C. Is this a (new/continuing) operation? (check one).
If continuing a previous operation, this plan (replaces/modifies/supplements) a previous plan of operations. (check one)
- D. Proposed start-up date (mm/dd/yy) of operation: May 1st 2017
- E. Expected total duration of this operation: Approximately 8 months

Reclamation of drill sites will be concurrent with operations or immediately after the drill is removed from the site. Mineral Mountain will work with the United States Forest Service (USFS) Representative as to oversite and compliance.
- F. If seasonal, expected date (mm/dd/yy) of annual reclamation/stabilization close out: _____

Final reclamation will be completed within one year of start of operations.
- G. Expected date (mm/dd/yy) for completion of all required reclamation: _____

II. PRINCIPALS

- A. Name, address and phone number of operator:
Mineral Mountain Resources Ltd., Suite 401 - 1195 West Broadway, Vancouver BC., Canada V6H 3X5
604-714-0111.
- B. Name, address, and phone number of authorized field representative (if other than the operator).
Attach authorization to act on behalf of operator.
Kevin Leonard, 2049 Yukon Harbor Rd SE, Port Orchard, Washington. Phone # 360-471-2629
Robert Brozdowski, Saanichton, BC, Canada. Phone # 250-592-0699.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

C. Name, address and phone number of owners of the claims (if different than the operator):

BHB Partners, 570 Tumbleweed Drive Billings Montana. Phone # 406-534-4091

G & D Mining Spearfish, South Dakota

(If more space is needed to fill out a block of information, use additional sheets and attach form)

D. Name, address and phone number of any other lessees, assigns, agents, etc., and briefly describe their involvement with the operation, if applicable:

N/A

III. PROPERTY OR AREA

(Name of claim, if applicable, and the legal land description where the operation will be located.)

MC#	Name	Section	Township	Range
	See Attached Maps			

IV. DESCRIPTION OF THE OPERATION

- A. Access.** *Show on a map (USGS quadrangle map or a National Forest map, for example) the claim boundaries, if applicable, and all access needs such as roads and trails, on and off the claim. Specify which Forest Service roads will be used, where maintenance or reconstruction is proposed, and where new construction is necessary. For new construction, include construction specifications such as widths, grades, etc., location and size of culverts, describe maintenance plans, and the type and size of vehicles and equipment that will use the access routes.*

The attached maps present the locations of the access routes along with the proposed drilling sites. The drill site plan and related coordinates are considered proprietary information.

Main access to the Rochford District exploration area is via Federal Highway 17 (South Rochford Road) south out of Rochford, then east onto USFS #238. Beyond this, the Forest Service Roads that will be utilized to access the sites include 238.1C; 238.1A; 238.1E; 181.1A; and existing unnamed trails off 238.1C and between 238.1E and 181.1A.

Approximately 3400 LF of overland routes off the aforementioned access roads and trails will be utilized as shown on the attached maps. These overland travel routes will occur along the routes identified as 'Proposed Overland Route' on the maps. Overland travel by vehicles and equipment will occur only on flagged routes pre-approved by the USFS representative for specific vehicle and equipment types. No new road or trail construction is proposed.

No culverts will be required for this program.

The type and size of equipment will include a diamond core drill rig, either track mounted or rubber tired, ATVs, 4x4 pick-up trucks, a mini excavator and/or a small bobcat (for reclamation work). Fuel for the drill rig, core boxes and miscellaneous equipment will be shuttled between existing access roads and trails and the drill site using 4x4 pickups or similar.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

B. Map, Sketch or Drawing. *Show location and layout of the area of operation. Identify any streams, creeks or springs if known. Show the size and kind of all surface disturbances such as trenches, pits, settling ponds, stream channels and run-off diversions, waste dumps, drill pads, timber disposal or clearance, etc. Include sizes, capacities, acreage, amounts, locations, materials involved, etc.*

See the attached maps for the location of the proposed drill sites. A table of drill site locations is included on the maps. The South Cochrane / Brown Jug project area is approximately 2 to 3 miles south of the town of Rochford, which is located about 34 miles west of Rapid City, South Dakota. The property is within the surveyed township SD07T0020N0030E in Pennington County and the unpatented claims are administered by the resource administrative district of the South Dakota Field Office, Montana Bureau of Land Management.

Mineral Mountain is proposing a total of 21 drill sites referenced CR17 - A through U. These drill pad locations are selected by local geology, deposit geometry, surface conditions, and proximity to effectively test historic showings and their associated structures, while minimizing surface disturbance. The drill site locations may vary up to 50' in any direction as necessary to minimize environmental impacts. The drill pads will be approximately 25 x 40 feet, but could vary up to 50 feet in length depending upon the drill contractor.

A staging or "lay-down" area of approximately 1 acre will be situated along Forest Service Road 238.1A as shown on the attached maps.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

C. Project Description. *Describe all aspects of the operation including mining, milling, and exploration methods, materials, equipment, workforce, construction and operation schedule, power requirements, how clearing will be accomplished, topsoil stockpile, waste rock placement, tailings disposal, proposed number of drillholes and depth, depth of proposed suction dredging, and how gravels will be replaced, etc. Calculate production rates of ore. Include justification and calculations for settling pond capacities, and the size of runoff diversion channels.*

Diamond core drilling will be the exclusive mechanized activity implemented at the project site; the project does not include any mining or milling. The construction of permanent structures or suction dredging will not be completed and no topsoil will be removed at the drill pad site. The amount of drilling and the number of holes drilled will be dependent upon the success or results of the drilling program with a maximum 21 drill sites. 10,000 meters of core may be drilled under this NOI.

Most drill holes will be drilled at steep to vertical angles with lengths of holes anticipated to range from 1500 feet to 5000 feet. Dependent upon results of drilling, each site may have multiple holes drilled with differing angles and azimuths. Some sites may only have one hole drilled, while others may not be drilled at all.

Drilling will take place 24 hours per day around the clock with 2 different crews working on 12 hour shifts.

Access to the site will be as outlined in Plan of Operations section IV.A.

Clearing will be completed as necessary, all timber is the property of the U.S. Government. All merchantable timber shall be purchased by MMR at the current price prior to any clearing activities, volume and price to be determined by the Forest Service. Non-merchantable timber shall be removed and disposed as specified by the District Ranger. All slash will be lopped and scattered, or piled in dirt-free piles as specified by the District Ranger.

Dependent upon drill site location, water will be sourced from either the Rapid Creek Drainage to the north or the Castle Creek Drainage to the south at locations shown on the attached maps. Mineral Mountain anticipates using a water truck to pump water out of the surface water locations shown on the attached map. The water truck may drive directly to the drill sites where feasible, or discharge to a water holding tank and gravity fed water lines may be utilized.

During drilling operations the cuttings and water used to flush out the cuttings will be collected in water storage tanks. The cuttings are allowed to settle out and the water will be recycled for use in the drilling process. Upon completion of the drilling, the cuttings will be dispersed in the disturbed area, but not on merchantable or non-merchantable timber. Organic material will be placed on the cuttings for reclamation.

All work will strive for minimal disturbance and maintenance to prepare the drill pad and reclaim (smooth, contour and seeding) the site upon completion of the drill hole.

D. Equipment and Vehicles. Describe that which is proposed for use in your operation (Examples: drill, dozer, wash plant, mill, etc.). Include: sizes, capacity, frequency of use, etc.

1 track mounted or rubber tired diamond drill rig with diamond drill bits HQ or NQ.
3 4x4 pickups
2 All-Terrain Vehicles
1 mini-excavator
1 Bobcat
1 water truck
2 water storage tanks
1 supply pump
water line
1 unitized mud pump, light plant and mud mixing tanks and pump for grouting of drill holes.

Pick-ups will be used by the Drill Contractor (2) and the Company (1) to access the drill sites. The Bobcat and mini excavator will move to and from the selected drill sites and the staging area. The Bobcat and mini-excavator will be mobilized to the project area by an independent contractor on an 'as needed' basis for reclaiming the drill sites.

The Bobcat and mini excavator will not be in operation on a continual basis and will be removed from site or stored at the staging or "lay-down" area. The purpose of the staging area allows the contractor access to an easily accessed temporary area for equipment and material that may be required at some sites, but not all sites such as spare parts, vehicles, core boxes and fuel etc.

Mineral Mountain and its contractors will maintain all equipment operating in the project area in good repair and free of abnormal leakage of lubricants, fuel, coolants and hydraulic oil. Mineral Mountain nor any of its contractors will service its drill or other mechanized equipment on the unpatented mineral claims where servicing is likely to result in pollution to soil or water. A zero discharge policy will be implemented and adhered to by the Company and its contractors. Mineral Mountain and its contractors will furnish containers or oil-adsorbing mats, approved by the Forest Service, for use under all stationary equipment or equipment being serviced and / or repaired to prevent spillage or leakage of petroleum-based products from contaminating the soil and water resources. The Company and its contractors will remove all contaminated soil, vegetation, debris, vehicle oil filters (drained of residual oil), batteries, oily rag and waste oil resulting from use, servicing, repair or abandonment of equipment.

Equipment will not be operated when ground and road conditions are such that excessive damage will occur, for example saturated trail or soil conditions.

In order to reduce or eliminate potential for a wildfire associated with this Plan of Operations, Mineral Mountain will adhere to current and imposed fire restrictions and will comply with the State of South Dakota regulations regarding fire rules and/or closures during operation.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

- E. Structures.** *Include information about fixed or portable structures or facilities planned for the operation. Show locations on the map. Include such things as living quarters, storage sheds, mill buildings, thickener tanks, fuel storage, powder magazines, pipelines, water diversions, trailers, sanitation facilities including sewage disposal, etc. Include engineering design and geotechnical information for project facilities, justification and calculations for sizing of tanks, pipelines and water diversions, etc.*

No fixed or portable facilities are planned.

V. ENVIRONMENTAL PROTECTION MEASURES (SEE 36 CFR 228.8)

- A. Air Quality.** *Describe measures proposed to minimize impacts on air quality such as obtaining a burning permit for slash disposal or dust abatement on roads.*

All refuse will be taken to an off-site sanitation facility and/or placed in off-site bulk containers offered by services like Kieffer Sanitation. No burn permit for slash disposal will be required.

All equipment will be equipped with approved spark arrestors, mufflers and catalytic converters and other equipment required to operate legally. Work crews will operate vehicles in a safe manner and limit dust dispersion.

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- B. Water Quality.** *State how applicable state and federal water quality standards will be met. Describe measures or management practices to be used to minimize water quality impacts and meet applicable standards.*

1. *State whether water is to be used in the operation, and describe the quantity, source, methods and design of diversions, storage, use, disposal, and treatment facilities. Include assumptions for sizing water conveyance or storage facilities.*
2. *Describe methods to control erosion and surface water runoff from all disturbed areas, including waste and tailings dumps.*
3. *Describe proposed surface water and groundwater quality monitoring, if required, to demonstrate compliance with federal or state water quality standards.*
4. *Describe the measures to be used to minimize potential water quality impacts during seasonal closures, or for a temporary cessation of operations.*
5. *If land application is proposed for waste water disposal, the location and operation of the land application system must be described. Also describe how vegetation, soil, and surface and groundwater quality will be protected if land application is used.*

(If more space is needed to fill out a block of information, use additional sheets and attach form)

Drill sites will not be located in streams and wetlands.

1. Water is required for drilling operations and will be hauled in to the site. Daily water useage is anticipated to be between 5,000 and 10,000 gallons per day. In the event that difficult drilling conditions are encountered, up to 20,000 gallons per day may be used on occasion. The maximum amount of water used for the duration of the project is 1.8 million gallons of water.

The water used to flush drill cuttings will be captured in tanks and recycled and disposed of in accordance with State Regulations and an approved Plan of Operations as set out by the Forest Service. Care will be taken to prevent overflow from leaving the site or entering waters of the State.

2. Drill sites are relatively small (25 ft. x. 40 ft.) in extent and the surface will be left with minor disturbance which will allow natural infiltration to continue. Operations will be conducted to prevent foreign substances and/or pollutants from entering streams and wetlands. In the event that Mineral Mountain or any of its contractors cause debris to enter streams and wetlands in amounts that may adversely affect the natural flow of the stream, water quality or fishery habitat, all such debris will be removed as soon as practicable, but to not exceed within 48 hours, and in an agreed manner that will cause the least disturbance to streams and wetlands. Additional Best Management Practices (BMPs) will be installed as determined by the USFS representative.

Mineral Mountain will refrain from crossing all stream channels (ephemeral, intermittent, perennial) with motorized vehicles.

3. Visual inspection will be used to ensure the water used to flush the drill cuttings is captured and directed to the holding tanks.

If an artesian well or aquifer is intersected during drilling operations, Mineral Mountain and its contractor will conform to State of South Dakota regulations which include requirements to immeidately notify State and Federal permitting agencies. Notification shall include the location of the drill hole penetrating the aquifer. Each drill hole is grouted / cemented after completion and plugged to prevent surface waters to enter the aquifer.

4. If seasonal closure is initiated, the drill site will be stabilized, including draining and storage of hoses and waterlines, minimizing potential for offsite transport.

5. Not applicable.

C. Solid Wastes. *Describe the quantity and the physical and chemical characteristics of solid waste produced by the operation. Describe how the wastes will be disposed of including location and design of facilities, or treated so as to minimize adverse impacts.*

Refuse associated with the exploration project will be removed and disposed of in proper disposal sites. Garbage and litter will be removed from the project area on a daily basis. Human waste will be contained in portable toilets designed to contain, transport and dispose of human waste off of Forest Service Lands.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

D. Scenic Values. *Describe protection of scenic values such as screening, slash disposal, or timely reclamation.*

The individual drill sites are relatively small (25 ft x 40 ft) and are located in remote areas, predominantly obscured from the surroundings. Upon completion of the drilling operation, reclamation will be conducted to the satisfaction of USFS personnel.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

- E. Fish and Wildlife.** Describe measures to maintain and protect fisheries and wildlife, and their habitat (includes threatened, endangered, and sensitive species) affected by the operations.

There are no threatened or endangered species affected by this exploration activity. Mineral Mountain shall notify the Forest Service and Department of Game, Fish and Parks if exploration activity anticipates entry into underground workings, any sealing of underground mine adits or openings and if drilling is situated within 300 feet of an adit that may disturb or harm/affect bat habitat.

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- F. Cultural Resources.** Describe measures for protecting known historic and archeological values, or new sites in the project area.

There are no known protective sites or culturally sensitive areas within this exploration project. If undiscovered cultural resources are found during program implementation and activity, then Mineral Mountain will cease operations at that location and notify the Forest Service and the SD State Archeologist.

Mineral Mountain shall avoid any bones, artifacts, foundation remains, or other evidence of previously unrecorded past human use during exploration activities.

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- G. Hazardous Substances.**

1. Identify the type and volume of all hazardous materials and toxic substances which will be used or generated in the operations including cyanide, solvents, petroleum products, mill, process and laboratory reagents.

Operating the diamond drill will require gasoline, diesel fuels, oils and greases, water supply pumps, trucks and compressors. DOT approved tanks and containers will be utilized to transport the fuel for the drill. Oil and grease will be brought to the drill site as needed. Storage of lubricants, fuel and petroleum products will be stockpiled off-site and will comply with the South Dakota Department of Natural Resources Hazardous Waste Management Regulations.

2. For each material or substance, describe the methods, volume, and frequency of transport (include type of containers and vehicles), procedures for use of materials or substances, methods, volume, and containers for disposal of materials and substances, security (fencing), identification (signing/labeling), or other special operations requirements necessary to conduct the proposed operations. Fuel will be stored in DOT approved tanks. Containment measures such as stock tanks for containers and adsorbent material for all diesel, fuel, gasoline, hydraulic fluid, motor oil and other hazardous materials. Adsorbent material will be kept on site where petroleum products are being used. If applicable, fuel barrels or tanks will be stored in containments in accordance with SPCC requirements. Operating water pumps will also be in containers or will have absorbent material under them.

3. Describe the measures to be taken for release of a reportable quantity of a hazardous material or the release of a toxic substance. This includes plans for spill prevention, containment, notification, and cleanup.

Containment measures will be employed in accordance with SPCC Regulations.

In the case of a spill, Mineral Mountain and its contractors will report all significant spills of hazardous substances to the Forest Service.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

- H. Reclamation.** Describe the annual and final reclamation standards based on the anticipated schedule for construction, operations, and project closure. Include such items as the removal of structures and facilities including bridges and culverts, a revegetation plan, permanent containment of mine tailings, waste, or sludges which pose a threat of a release into the environment, closing ponds and eliminating standing water, a final surface shaping plan, and post operations monitoring and maintenance plans.

Each drill hole will be capped, sealed and plugged (grout and/or cement) as per ARSD 74:11:08 (Capping, Sealing and Plugging Exploration Test Holes) immediately following the completion of the drill hole.

Diamond drilling procedures will utilize a tank to catch drill cuttings and water. Upon completion of drilling, the tank and contents will be disposed of accordingly. The sites will be smoothed, contoured and seeded with the Black Hills reclamation mix of native grasses approved by the Pennington County District Conservationist. Minimal impact is expected as a result of the drilling operations.

Mineral Mountain will employ Best Management Practices to ensure the impact to the site is minimal. Reclamation will commence on a site by site basis at completion of drilling. Reclamation, including revegetation of disturbed areas will occur so as to provide for the rehabilitation of plant cover and soil stability. The ground on which exploratory drilling will occur is undeveloped and primarily wooded grasslands.

Any damage to USFS roads, ditches, trails or drainage features as a result of the exploration activities or associated travel will be repaired and reclaimed as defined by USFS personnel.

VI. FOREST SERVICE EVALUATION OF PLAN OF OPERATIONS

- A. Required changes/modifications/special mitigation for plan of operations:**

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- B. Bond.** Reclamation of all disturbances connected with this plan of operations is covered by Reclamation Performance Bond No. _____, dated (mm/dd/yy) _____, signed by _____ (Principal) and _____ (Surety), for the penal sum of _____. This Reclamation Performance Bond is a guarantee of faithful performance with the terms and conditions listed below, and with the reclamation requirements agreed upon in the plan of operations. This Reclamation Performance Bond also extends to and includes any unauthorized activities conducted in connection with this operation.

The bond amount for this Reclamation Performance Bond was based on a bond calculation worksheet. The bond amount may be adjusted during the term of this proposed plan of operations in response to changes in the operations or to changes in the economy. Both the Reclamation Performance Bond and the bond calculation worksheet are attached to and made part of this plan of operations. Acceptable bond securities (subject to change) include:

- 1. Negotiable Treasury bills and notes which are unconditionally guaranteed as to both principle and interest in an amount equal at their par value to the penal sum of the bond; or*
 - 2. Certified or cashier's check, bank draft, Post Office money order, cash, assigned certificate of deposit, assigned savings account, blanket bond, or an irrevocable letter of credit equal to the penal sum of the bond.*
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(If more space is needed to fill out a block of information, use additional sheets and attach form)

VII. TERMS AND CONDITIONS

- A. If a bond is required, it must be furnished before approval of the plan of operations.
- B. Information provided with this plan marked confidential will be treated in accordance with the agency's laws, rules, and regulations.
- C. Approval of this plan does not constitute certification of ownership to any person named herein and/or recognition of the validity of any mining claim named herein.
- D. Approval of this plan does not relieve me of my responsibility to comply with other applicable state or federal laws, rules, or regulations.
- E. If previously undiscovered cultural resources (historic or prehistoric objects, artifacts, or sites) are exposed as a result of operations, those operations will not proceed until notification is received from the Authorized Officer that provisions for mitigating unforeseen impacts as required by 36 CFR 228.4(e) and 36 CFR 800 have been complied with.
- F. This plan of operations has been approved for a period of _____ or until (mm/dd/yy) _____. A new or revised plan must be submitted in accordance with 36 CFR part 228, subpart A, if operations are to be continued after that time period.

VIII. OPERATING PLAN ACCEPTANCE

I/ We have reviewed and agreed to comply with all conditions in this plan of operations including the required changes, modifications, special mitigation, and reclamation requirements.

I/ We understand that the bond will not be released until the Authorized Officer in charge gives written approval.

Signature of <input type="checkbox"/> Operator (or <input type="checkbox"/> Authorized Representative)	(Date) (mm/dd/yy)
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IX. OPERATING PLAN APPROVAL

(Name)	(Title)
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Signature of (Authorized Officer)	(Date) (mm/dd/yy)
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Burden and Non-Discrimination Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0022. The time required to complete this information collection is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

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