

From: [Mohrmann, Jake](#)
To: [Walsh, Dan](#)
Subject: FW: [EXTERNAL] Commonwealth Resources 5 Year Bond Review
Date: Monday, August 31, 2020 1:35:30 PM

Dan,

Below is a Covid-19 related request for extension of the reclamation requirement for Exploration License # 00545 issued to Commonwealth Resources. Please advise on if this request is approved. If approved, I would recommend a 1-year extension.

Jacob Mohrmann P.G.

Environmental Specialist
Small Miner and Exploration Program
Montana Department of Environmental Quality
1520 E. 6th Ave.
Helena, MT 59601
Office: 406-444-4330
Cell: 406-431-4330

From: Michael Brown [mailto:mike@duckboy.com]
Sent: Monday, August 24, 2020 7:39 PM
To: Mohrmann, Jake <Jake.Mohrmann@mt.gov>
Subject: [EXTERNAL] Commonwealth Resources 5 Year Bond Review

Hi Jake,

This is my formal request, on behalf of Commonwealth Resources, for an extension to the 2 year reclamation deadline set forth in December 2018 pursuant to the 5 year bond review.

You may recall, we last spoke this past June in regards to the 5 year bond review, and specifically the 2 year requirement to reclaim disturbances after exploration ceases or the property is abandoned. I believe this 2 year period expires in December 2020.

As we further discussed, the Garnet properties owned by Commonwealth Resources have been subject to an Asset Sale and Purchase Agreement with Garnex Gold Corporation. Garnex entered this agreement in January 2019 and has been diligently working to arrange funding in which to pay off Commonwealth, square away the bond shortfall with the DEQ, perform reclamation, and to commence mining activity. Garnex, to date, has failed to raise the required funds. In fact, Garnex has defaulted on our agreement twice, and Commonwealth has granted them extensions.

A major factor that is hampering the Garnex fund raising effort is in fact the Covid 19 pandemic. This pandemic has made it almost impossible for Garnex to meet with prospective investors. The inability to interact effectively, plus the underlying economic uncertainty, are significant barriers to Garnex raising the required funds. Commonwealth, therefore, has extended contractual deadlines

twice for Garnex. We have done this as we know Garnex is putting forth every effort to get funded. And we are confident they will succeed given more time as the spot price of gold is certainly working in their favor.

Therefore, given what are very unusual circumstances, we respectfully ask for an extension from the DEQ.

Thank you for your consideration.

Michael Brown
Managing Member
Commonwealth Resources, LLC