

**STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF MINING REGULATION AND RECLAMATION  
RECLAMATION PERMIT**

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**PERMITTEE:** GALWAY RESOURCES US INC.  
380 Court Street  
Elko, Nevada 89801

**PROJECT LOCATION:** Sections 10, 11, 14 and 15 of Township 43 North, Range 68 East,  
M.D.B. & M., Elko County, Nevada

**PERMIT NUMBER:** #0268 **BLM CASE NUMBER:**

**PROJECT TYPE:** Exploration Project **AMENDMENTS:** (None)

Pursuant to Nevada Revised Statutes (NRS) 519A.010 to 519A.280, inclusive, and regulations promulgated thereunder by the State Environmental Commission as Nevada Administrative Code (NAC) 519A.010 to 519A.415, inclusive, and implemented by the Division of Environmental Protection (hereinafter the Division), this permit authorizes GALWAY RESOURCES US INC to reclaim the Indian Springs Exploration Project consistent with the conditions of this permit and the reclamation plan dated, December 2006 entitled, GALWAY RESOURCES US INC, *Indian Springs Exploration Project, Plan of Operations, Permit for Reclamation with revisions dated June of 2007.*

This permit issued this 23<sup>rd</sup> day of August, 2007, is valid for the life of the project unless it is modified, suspended or revoked by the Division. The permit will not now or in the future serve as a determination of ownership or the validity of any mining claim to which it might relate.

This permit becomes effective upon receipt, by the Division, of an acceptable surety or verification from the federal land management agency that an acceptable surety has been posted. A surety is required by NAC 519A.350 prior to engaging in the activities authorized by this permit.

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David Gaskin, P.E., Chief  
Bureau of Mining Regulation and Reclamation

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PERMIT LIMITATIONS AND REQUIREMENTS:

**1. Permitted Disturbances**

A. Phase I Exploration Disturbance Acres	Public
Constructed Roads	4.47
Pre-1981 Access Roads	9.94
Constructed drill sites	20.70
<b>Total</b>	<b>35.11</b>

B. Drill holes will be plugged in accordance with the provisions specified in Chapter 534 of the Nevada Administrative Code. No more than one drill hole will remain unplugged at any one time.

**2. Departure from Approved Plan for Reclamation**

A. Except in the case of an emergency, the operator may not depart from the approved plan for reclamation without a modification approved by the Division.

B. When an operator submits an amended plan of operation to the federal agency, a copy shall also be filed with the Division.

**3. Fees**

A. On or before April 15 of each year submit the fees as required by NAC 519A.235.

B. On or before April 15 of each year submit the fees as required by NRS 519A.260.

**4. Reports**

A. On or before April 15 of each year, the operator shall submit a report (NRS 519A.260), in a format specified by the Division, relating to the status and production of the operation and identifying each acre of land affected and land reclaimed by the operation.

**5. Project Completion, Abandonment or Suspension of Work**

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PERMIT LIMITATIONS AND REQUIREMENTS:

A. The Division shall be notified in writing within 90 days after an operation is complete or abandoned. The notice must state the date on which the activities for reclamation will begin as specified in NAC 519A.320.

B. The Division shall be notified in writing within 90 days after work is suspended at the operation for more than 120 days. The notice must state the nature and reason for the suspension; the anticipated duration of the suspension; and any event which would reasonably be expected to result in either the resumption of activities or the abandonment of the operation. The Operator is not required to notify the Division of a temporary closure caused by weather conditions.

**6. Surety**

A. The operator shall file and maintain an acceptable surety as specified in NAC 519A.350 to ensure that reclamation will be completed. If the surety is a Corporate Guarantee, the financial warrantor shall submit to the Division on a yearly basis, a certified financial statement for the financial warrantor's most recent fiscal year and verification by a Certified Public Accountant (CPA) that the Corporation meets the requirements for Corporate Guarantee.

B. Within 3 years after the effective date of this permit and at least every 3 years thereafter, the operator shall review the surety amount to determine whether it is still adequate to execute the approved reclamation plan. Inflation must be considered.

C. The operator shall notify the Division and the appropriate Federal Land Management Agency(s) of the results of the surety review, and within 120 days of its completion, verify that the current surety is adequate, increase the surety, or request a decrease in the surety.

D. The operator must provide documentation on reclamation work completed, before any portion of the surety may be released. (See Attachment A).

**7. Inspection of Exploration Project and/or Mining Operation**

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PERMIT LIMITATIONS AND REQUIREMENTS:

A. The operator shall allow authorized representatives of the Division, and the appropriate federal land management agency(s) to inspect the operation, during normal business hours, to determine compliance with the terms and conditions of this permit and the status of reclamation activities.

**8. General Requirements**

A. The operator shall maintain a copy of this permit and all modifications at the permitted project or operation at all times.

B. The provisions of this permit are severable. If any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances and the remainder of this permit, shall not be affected.

C. Any noncompliance with this permit shall be reported orally to the Division within 48 hours of the time the operator has knowledge of the circumstances. A written summary shall be provided within 10 days after the oral report is made.

D. Any changes in the Operator's name or address shall be reported within 10 days to the Division in writing, and must indicate the permit number and appropriate changes.

E. Any changes in Corporation/Partnership/Proprietorship name, officers, or address shall be reported within 10 days to the Division in writing, and must indicate the permit number and appropriate changes.

F. The operator shall meet the revegetation standards as set forth in Attachment B.

G. The operator shall provide an "as built" map annually which accurately depicts locations of constructed drill roads and drill pads, including breakdown of lengths & widths of disturbed areas.

**9. Schedule of Compliance:**

The permittee shall achieve compliance in accordance with the following schedule:

PERMIT LIMITATIONS AND REQUIREMENTS:

1. On or before July 1, 2008 collect data and establish the site-specific revegetation release criteria for this project in accordance with the Attachment B guideline included with this permit.