STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 | Fax (775) 684-7052
http://minerals.nv.gov

RECEIVED
SEP 22 2022
DIVISION OF MINERALS

Date Received 09/23/22
County Clark
NDOM Permit Number WOO15
FOR DIVISION USE ONLY

DISSOLVED MINERAL RESOURCE EXPLORATION WELL PERMIT APPLICATION

Applicant/Operator Name: Usha Resources Ltd.
Street Address: 1575 Kamloops Street
City: Vancouver State/Prov.: British Columbia
Country: Canada Zip Code: V5K 3W1
hereby makes application for a dissolved mineral resource exploration well permit.

(if applicant is a corporation, show state and date of incorporation; if a partnership, list names of partners.)

Usha Resources, Ltd. is a corporation in Vancouver, British Columbia and was formed on February 26, 2018.

Well Name JP-2201

This application is for a: ☒ New Exploration Well ☐ Borehole to Well Conversion
☐ Permit Extension (NDOM Permit # _____) (Indicate below any changes to original permit)
Permit Extension Reason:

Applicant is: ☐ Land Owner ☒ Lease/Claim Holder

Land Status (choose one):

☒ Federal *(BLM, USFS, etc…)*
Mining Claim: NMC# 105290095
Project Name: Jackpot Exploration Project NVN# 101348

☐ Non Federal
APN#: Land Owner:
Bond Type: Issued by:
Amount: Number:

Groundwater Basin Name and Number	Area With Limitations?
Garnet Valley 216	☐ Y ☒ N

(Well proposed to be drilled within areas with limitations may require Blowout Prevention Equipment, per NAC 534B)

Location of Well:
County: Clark

NW ¼ of the NE ¼ of 30 Sec., Township 17 ☐N ☒S, Range 64 E

UTM East: 690,556.04 or Longitude:
UTM North: 4,035,646.43 Latitude:
☒ NAD83 ☐ WGS84 *M.D.B.& M.*

Drilling Contractor (if known): Harris Exploration Drilling and Associates, Inc.

Address: PO Box 5579

City, State Zip: Fallon, Nevada 89407

Purpose of Well: Dissolved mineral resource exploration

Drill Rig Type: Christensen CS14

Surface Hole Diameter: 8.5" to 100' then 3.875"

Expected Total Depth: 1,969 feet

Casing Size/Length: 4.5" to 100' / 3" to 1,969'

Casing Weight/Gauge: 11.8 lb/ft to 100' / 1.4 lb/ft to 1,969'

Casing Schedule/Grade: Schedule 40 and 80

Blowout Prevention Equipment Rating: ☒ None ☐ 2000 psi ☐ 3000 psi ☐ 5000 psi

Fluid Management Plan - NAC 534B.140(1)(C):

See Specifications in Attachment 2.

(Describe Here or Attach Additional Pages)

Contamination Prevention/Cementing Plan - NAC 534B.140(1)(D):

See Well Schematic Figure in Attachment 1. See Specifications in Attachment 2.

(Describe Here or Attach Additional Pages, must include Well Schematic)

Flow Monitoring and Plugging Plan - NAC 534B.140(1)(E):

See Specifications in Attachment 2.

(Describe Here or Attach Additional Pages)

Drilling will commence approximately on: October 03, 2022

Signature of Applicant/Agent: 

Printed Name/Title: Deepak Varshney, CEO

Date: September 14, 2022

An application submitted without a signature and date will not be considered for approval.

- - - - -Attach $1,000.00 Application Fee Per NAC 534B - - - - -

- - - - - TO BE COMPLETED BY DIVISION - - - - -

CONDITIONS OF PERMIT

1. **All permittees must comply with appropriate sections of the Dissolved Mineral Resource Regulations of the Division of Minerals and with applicable rules and regulations of state and federal agencies.**

2. **For a well located on non-federal land, a bond in an amount determined by the Division to be necessary to properly plug the well in accordance with NAC 534B must be included.**

3. **Well Permit Expires two (2) years from date of approval.**

4. **See attached Conditions of Approval.**

5. **Send any required reports to: .... ndom@minerals.nv.gov**

6. **Additional Conditions/Comments**

A.	The exploration well must be plugged within 60 days of completion according to the requirements of NAC 534B.180.
B.	See attached letter from the Nevada Department of Wildlife.
C.	NDEP-BWPC may require a Construction General Permit because the total acres of disturbance exceeds 1 acre stated in the "Notice to Conduct Mineral Exploration at the Jackpot Exploration Project".

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal, and local agencies.

PERMIT APPROVAL

Approved 10/11/2022 with the conditions noted above.
Date

Permit Number W0015

Administrator
Division of Minerals

DISSOLVED MINERAL RESOURCE
EXPLORATION WELL
CONDITIONS OF APPROVAL

Operator: Usha Resources Ltd.
Project Name: Jackpot Exploration Project
Well: JP-2201
Permit# W0015

Submit forms and correspondence to: Nevada Division of Minerals
400 West King Street
Suite 106
Carson City, NV 89703

Communications with the Division shall be directed to:

Cortney Luxford, Fluid Minerals Program Manager
Office 775-684-7045 Email cluxford@minerals.nv.gov
Cell 775-721-1774
Fax 775-684-7052

Michael Visher, Division Administrator
Office 775-684-7044 Email mvisher@minerals.nv.gov
Cell 775-721-7625
Fax 775-684-7052

Dustin Holcomb, Field Specialist - Geologist
Office 775-684-7046 Email dholcomb@minerals.nv.gov
Cell 775-721-2726
Fax 775-684-7052

Voicemail is available on all cell phones and office phones. Please leave a message if you are unable to speak to someone and we will return your call as quickly as possible.

YOUR APPLICATION TO DRILL THE **JACKPOT JP-2201** EXPLORATION WELL IS APPROVED SUBJECT TO THE FOLLOWING PERMIT CONDITIONS

1. These conditions of approval (COA's) and the minimum Blowout Prevention Equipment (BOPE) requirements, if required by the Division or utilized, shall be posted at the well site and read by all company personnel associated with the subject well.

2. If the well is located within a boundary designated by the Division as an "area with limitations" as delineated on the map maintained by the Division and titled, "Oil, Gas, and Geothermal Resources and Groundwater Basins with High Temperature Gradients" must:
   (a) Not be drilled to a depth greater than 3,000 feet without the use of blowout prevention equipment meeting the requirements discussed below;
   (b) Have the temperature of the mud that is returned up the hole monitored continuously by the operator during the drilling of the well whenever temperatures of the drilling fluids at the surface reach 125 degrees Fahrenheit. The temperature of the mud must be recorded by the well driller after each joint of the pipe is drilled; and
   (c) Be designed, drilled and operated so as not to degrade an aquifer, or an oil, gas or geothermal resource.

3. The operator shall ensure that blowout prevention equipment is installed on any dissolved mineral resource exploration well where temperatures may exceed 200 degrees Fahrenheit. An operator and well driller shall take all necessary precautions to keep a dissolved mineral resource exploration well under control and operating safely at all times. Well control and wellhead assemblies used in any dissolved mineral resource exploration well must meet the minimum specifications for assemblies prescribed by the American Petroleum Institute, or its successor organization, in Standard 53, "Blowout Prevention Equipment Systems for Drilling Wells," Fourth Edition, which is available by mail from Global Engineering Documents, 15 Inverness Way East, Englewood, Colorado 80112-5776, by telephone at (800) 854-7179 or at the Internet address http://global.ihs.com, for the price of $155, or such specifications as may be prescribed by the Administrator. Blowout prevention equipment capable of shutting in a dissolved mineral resource exploration well during any operation must be installed on the surface casing and be maintained in good operating condition at all times. Such equipment must have a rating for pressure greater than the maximum anticipated pressure at the wellhead. The minimum accepted rating of blowout prevention equipment is 2M, or capable of holding 2,000 psig. Certain drilling conditions may require 3M or 5M blowout prevention equipment.

4. An operator shall:
   (a) Test the blowout prevention equipment under pressure. The results of each test must be recorded by the well driller in the well log.
   (b) Submit, on a form designated by the Division, the pressure data and supporting

information for the blowout prevention equipment as soon as practicable after the conclusion of the test conducted pursuant to paragraph (a).

(c) A 24-hour notification is required prior to testing BOPE. The 24-hour BOPE notification may be made by telephone or email to the Fluid Minerals Program Manager. Please refer to the contacts list on page one of this notice. Operator must have access to email or fax in order to receive the Division's BOPE Test Form that will be sent to the operator within this 24-hour period.

5. When drilling a dissolved mineral resource exploration well, a well driller shall:
   (a) Isolate zones of varying water quality to prevent the migration of fluids between aquifers;
   (b) Prevent the contamination or waste of groundwater; and
   (c) Minimize damage to the environment, ground and surface waters, property and any known oil, gas or geothermal resources.

6. The following standards apply to the construction of a dissolved mineral resource exploration well:
   (a) The top of the casing must be at least 18 inches above the surface of the ground;
   (b) The surface casing must:
      (1) Provide for the control of formation fluids and protection of groundwater, including, without limitation, setting sufficient casing to reach a depth below all known or reasonably estimated levels of good quality water to protect the aquifer and prevent blowouts or uncontrolled flows; and
      (2) Provide a minimum 2-inch annular space;
   (c) There must be a minimum 50-foot surface seal using neat cement;
   (d) If an intermediate string of casing is used which does not extend to the surface, the top of the liner must overlap the bottom of the surface casing by at least 100 feet; and
   (e) If thermoplastic casing is used:
      (1) The thermoplastic casing must be clearly marked as well casing.
      (2) The thermoplastic casing must comply with the standards adopted by ASTM International, designated as ASTM F480-14 for polyvinyl chloride casing and F2686-14 for glass fiber reinforced casing or the current designation at the time of installation. These publications are hereby adopted by reference. A copy of the standards may be obtained by mail from ASTM International at 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, Pennsylvania 19428-2959, by telephone at (610) 832-9585 or at the Internet address http://www.astm.org for the price of $67 and $46, respectively.
      (3) The differential pressures and temperatures that may occur during the installation of the casing, the development of the well and the operation of the well must be considered by the well driller and the person responsible for designing the well.
      (4) The joint couplings must form a watertight seal.
      (5) For polyvinyl chloride casing, in each case, the standard dimension ratio must equal the outside diameter divided by the wall thickness and the wall thickness must:
         (I) For nominal diameters that are 6 inches or less, conform to a rating of schedule 40 or heavier; and
         (II) For nominal diameters that are more than 6 inches, conform to an ASTM International standard dimension ratio of schedule 21 or heavier.

7. If an artesian condition is encountered in a dissolved mineral resource exploration well, such that water is flowing at the surface, the well driller shall ensure that an unperforated casing extends through the confining strata above the artesian zone. The annular space between the casing and the walls of the well bore must be sealed by placing neat cement, cement grout or bentonite chips by tremie pipe in an upward direction from the top of the artesian zone to the level necessary to prevent the leakage of artesian water above or below the surface.

8. Any flow of artesian water must be stopped completely using any necessary valves, plugs or other appliances to prevent or control the flow of water from the dissolved mineral resource exploration well and prevent the loss of groundwater above or below the ground surface before the drill rig is removed from the drill site.

9. The operator of a dissolved mineral resource exploration well shall:
   (a) Install a water meter capable of measuring the total withdrawal of water from the dissolved mineral resource exploration well.
   (b) Maintain an accurate record of meter readings, including the serial number of the meter.
   (c) Submit to the Division, on a form designated by the Division, a monthly report which includes the serial number of the meter and the meter readings from the dissolved mineral resource exploration well. The monthly report:
      (1) Is required for each month beginning with the commencement of drilling operations until the later of the expiration of the permit or until the dissolved mineral resource exploration well is plugged; and
      (2) Must be filed with the Division on or before the last day of the month following the month in which the meter is read.
   (d) Ensure the total withdrawal of water from the dissolved mineral resource exploration well project does not exceed 5 acre-feet.
   (e) Comply with the appropriation procedures of chapters 533 and 534 of NRS if water is pumped from the dissolved mineral resource exploration project in excess of 5 acre-feet.

10. The well driller shall:
   (a) Keep a record of the depth, thickness and character of the different strata penetrated and the location of the water-bearing strata;
   (b) Keep an accurate record of the work, including, without limitation:
      (1) A statement of the date that work begins;
      (2) The date of completion of the dissolved mineral resource exploration well;
      (3) The name and the type of machine used to drill;
      (4) The length, size and weight of the casing and how it is placed, including, without limitation, a description of any perforations;
      (5) The size of the hole that is drilled for the dissolved mineral resource exploration well;
      (6) Identification of the water-bearing strata;
      (7) The maximum temperature of the water in the dissolved mineral resource exploration well measured in degrees Fahrenheit; and
      (8) If a seal was installed, the interval sealed off and the type of seal; and
   (c) Submit a report of the record of the work to the Administrator on a form designated by the Division. The report must be provided by the well driller to the Administrator for

every dissolved mineral resource exploration well that is drilled not later than 30 days after the well is completed.

11. A dissolved mineral resource exploration well must be plugged by:
(a) A well driller before the expiration of the permit, unless a waiver or permit is issued by the State Engineer to change the status of the dissolved mineral resource exploration well.
(b) Placing neat cement, cement grout or bentonite grout by tremie pipe in an upward direction from the bottom of the well to 100 feet above the uppermost perforated casing or to the surface of the dissolved mineral resource exploration well.
(c) Removing the pump and any debris from the well bore with appropriate equipment.
(d) Cement plugs must:
(1) Be placed in the uncased portion of all dissolved mineral resource exploration wells to protect all subsurface resources.
(2) Extend a minimum of 100 lineal feet above the producing formations and 100 lineal
feet below the producing formations or to the total depth drilled, whichever is less.
(3) Be placed to isolate formations and to protect the fluids in those formations from interzonal migration.
(e) A well driller may use uncontaminated fill from the top of the plug installed in accordance with subsection 1 to within 20 feet of the surface of the dissolved mineral resource exploration well. The well driller shall place a surface plug in the dissolved mineral resource exploration well consisting of neat cement, cement grout or concrete grout from a depth of at least 20 feet to the surface of the dissolved mineral resource exploration well.
(f) All casing strings must be cut off below ground level and the casing stub must be permanently capped.
(g) The surface must be restored as near as practicable to its original condition.
(h) If conditions are encountered which prevent compliance with this section, the operator or well driller must submit an alternative plugging plan to the Division for the approval of the Division.
(i) The operator or well driller shall file a plugging report to the Division on a form designated by the Division and available on the Internet website of the Division. The report must be signed by the well driller documenting proper plugging of the dissolved mineral resource exploration well not later than 30 days after completion of the work.
(j) The owner and lessor of the land on which the dissolved mineral resource exploration well is located, the operator and the well driller are jointly and severally responsible for plugging the dissolved mineral resource exploration well pursuant to this chapter.

12. The operator of a dissolved mineral resource exploration well shall:
(a) Install a water meter capable of measuring the total withdrawal of water from the dissolved mineral resource exploration well.
(b) Maintain an accurate record of meter readings, including the serial number of the meter.
(c) Submit to the Division, on a form designated by the Division, a monthly report which includes the serial number of the meter and the meter readings from the dissolved mineral resource exploration well. The monthly report:

(1) Is required for each month beginning with the commencement of drilling operations until the later of the expiration of the permit or until the dissolved mineral resource exploration well is plugged; and

(2) Must be filed with the Division on or before the last day of the month following the month in which the meter is read.

(d) Ensure the total withdrawal of water from the dissolved mineral resource exploration well project does not exceed 5 acre-feet.

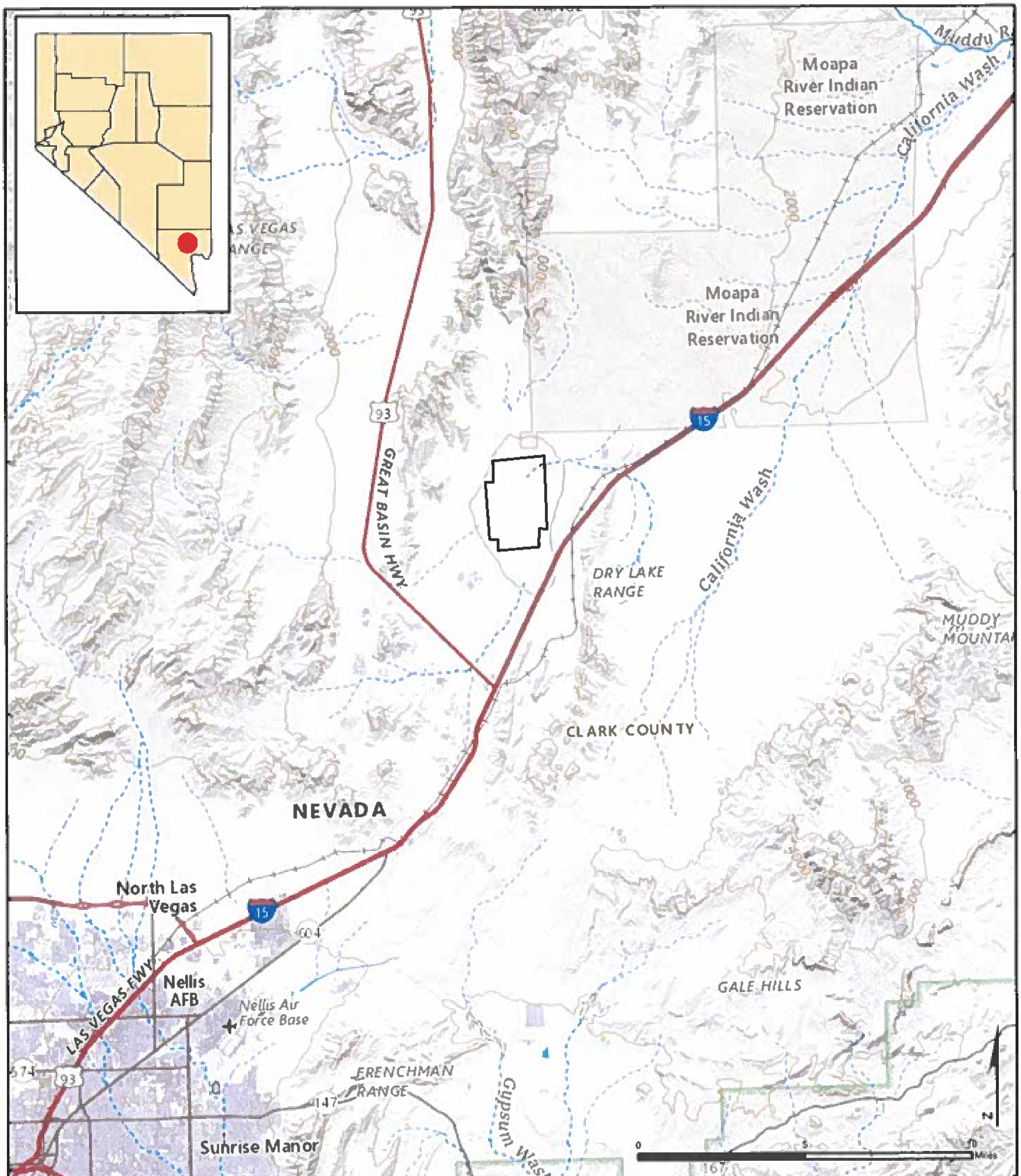
(e) Comply with the appropriation procedures of chapters 533 and 534 of NRS if water is pumped from the dissolved mineral resource exploration project in excess of 5 acre-feet.

13. A permit to drill a dissolved mineral resource exploration well may be modified, suspended or revoked in whole or in part for any violation of this chapter and may be grounds for an action for enforcement. Any person who willfully violates any provision of this chapter or an order of the Division issued pursuant to this chapter is subject to a penalty of not more than $1,000 for each act or violation and for each day that the violation continues.

14. A permit to drill a dissolved mineral resource exploration well expires 2 years after the date on which it was issued. If requested in writing by the operator, on a form designated by the Division, the permit may be extended once for an additional 2 years by the Administrator if the permit is determined to be in compliance with the provisions of this chapter. An application for an extension must be filed not later than 60 days before the expiration of the permit. A permit to drill a dissolved mineral resource exploration well may be assigned, subject to the conditions of the permit, upon the written approval of the Administrator.

ATTACHEMNT 1:

PROJECT LOCATION, PROPOSED ACTIVITIES, AND WELL SCHEMATIC FIGURES



Nexus Project Number: P0105
Date: 6/28/2022
NAD 1983 UTM Zone 11NTransverse Mercator
Last Editor: Rixey Jenkins

Usha Resources, Ltd.
Jackpot Exploration Project

Legend

☐ Jackpot Exploration Project Area

NEXUS ENVIRONMENTAL CONSULTANTS

Figure 1
Project Location

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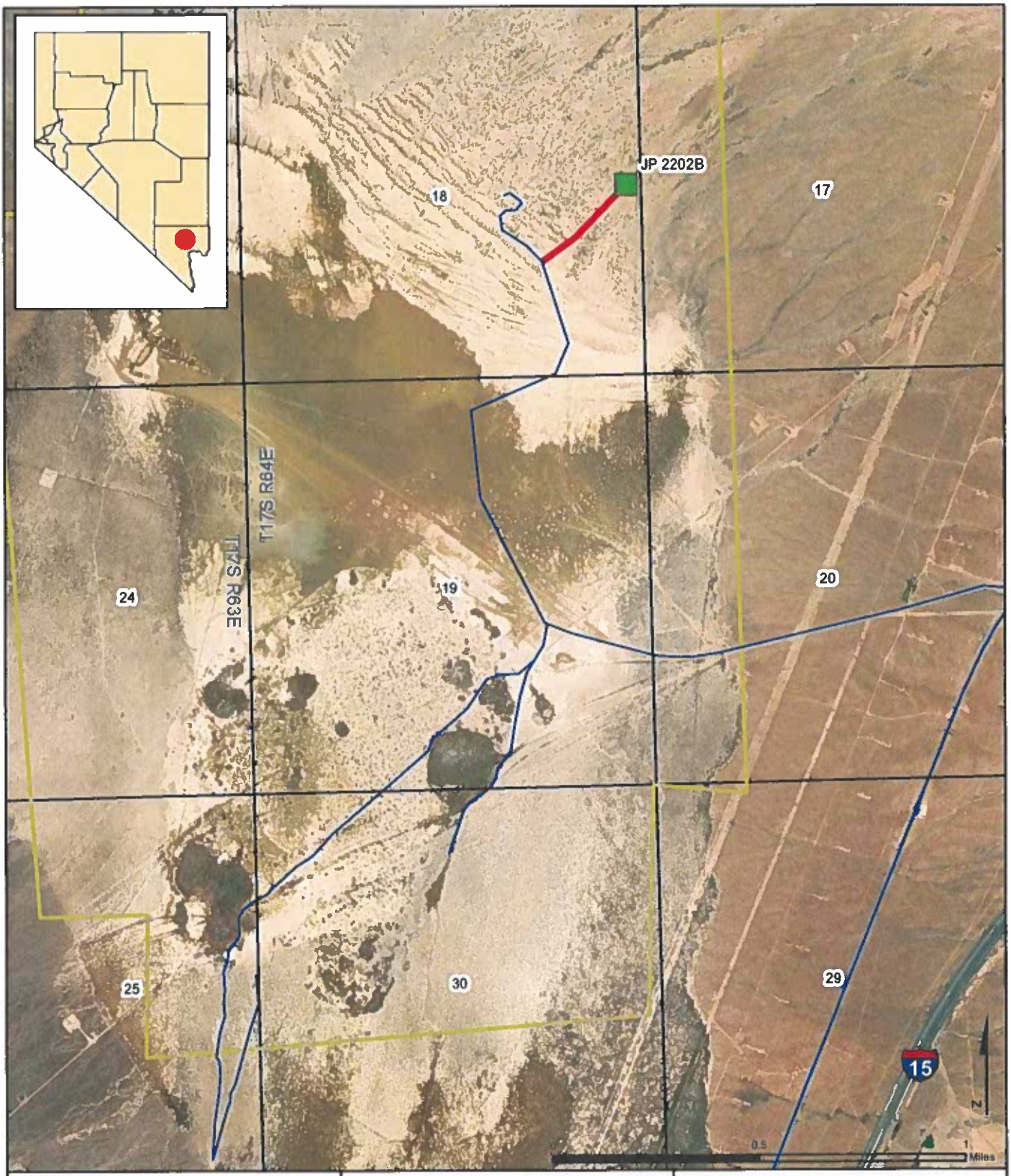
Service Layer Credits: USGS The National Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; USGS Global Ecosystems; U.S. Census Bureau TIGER/Line data; USFS Road Data; Natural Earth Data; U.S. Department of State Humanitarian Information Unit; and NOAA National Centers for Environmental Information, U.S. Coastal Relief Model. Data refreshed August, 2021



Legend

- Jackpot 2202B DMRE Well
- Cross Country Travel
- Existing Roads
- Claim Block
- PLSS

Nexus Project Number: P0105
Date: 9/13/2022
NAD 1983 UTM Zone 11NTransverse Mercator
Last Editor: Rixey Jenkins

NEXUS
ENVIRONMENTAL CONSULTANTS

Usha Resources, Ltd.
Jackpot Exploration Project

Figure 2
Jackpot 2202B DMRE Well

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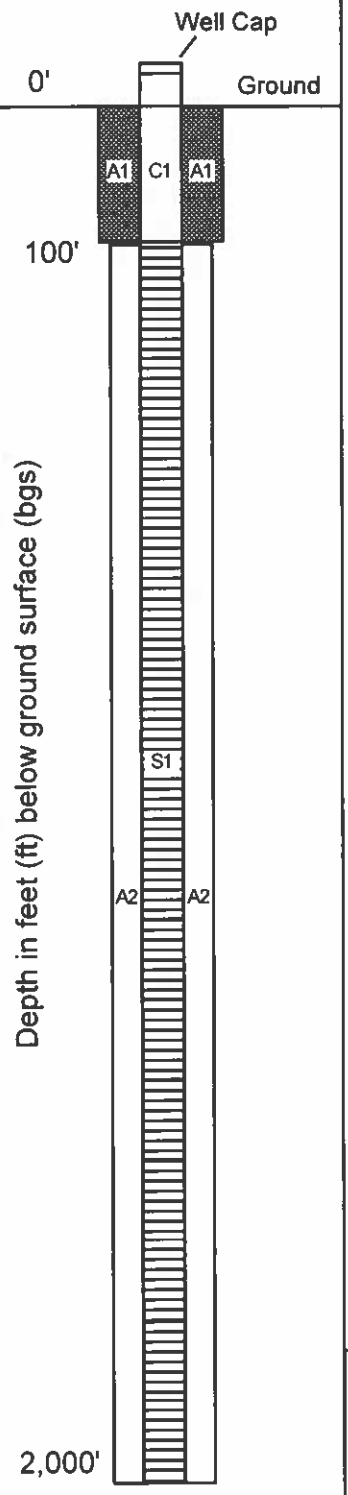
Service Layer Credits: Source: Esri Maxar, Earthstar Geographics, and the GIS User Community

Proposed Temporary Exploration Well Completion



NOT TO SCALE

USHA RESOURCES

Jackpot Lithium Brine Exploration Project

PROJECT INFORMATION

Location: Clark County, NV

Hydrologic Basin: Garnet Valley

Estimated Depth to Water: 60 ft. bgs

DRILLING SUMMARY

Borehole Nominal Diameters	8 1/2 in. OD drilling from 0 - 100 ft. bgs 3 7/8 in. OD drilling from 100 ft. bgs - TD
Stickup Height	1 1/2 ft.
Conductor Casing	100 ft. bgs - 4 1/2 in. HWT steel
Rig	Christensen CS14
Bit(s)	Rotary tricone and HQ diamond core bit
Drill Fluids	Water and bentonite polymer mud mix
Contractor	Harris Exploration Drilling and Associates, Inc.

WELL DETAILS

Depths	0 - 100 ft bgs - 8 1/2 in. Tricone mud rotary 100 - 500 ft bgs - 3 7/8 in. Tricone mud rotary 500 - 2,000 ft bgs - 3 7/8 in. Diamond core HQ
Hole Annulus	A1 - 2 in. of neat cement around HWT casing A2 - Open hole 7/16 in.
Casing Type	C1 - HWT steel surface casing - 4 1/2 in.
Screen Type	S1 - Sch. 80 PVC factory slotted screen - 3 in.

PREPARED BY: RANGEFRONT MINING SERVICES		DRAWING TITLE: GENERALIZED TEMPORARY WELL SCHEMATIC	
DRAWN BY: SC		DATE: 9/14/22	REVISION:
CHECKED BY: ES		PROJECT NO: 22.USHAJACK	DRAWING NO: FIGURE 3

ATTACHEMNT 2:

ADDITIONAL INFORMATION FOR

USHA JACKPOT DMRE EXPLORATION WELL JP-2202B

ADDITIONAL INFORMATION FOR JACKPOT EXPLORATION PROJECT
Exploration Well JP-2202B

Project Access, Description and Plan of Operations

The Jackpot Exploration Project (Project) is located approximately 20 miles northeast of Las Vegas, Nevada and approximately seven miles west of Crystal, Nevada off Interstate 15 as shown on Figure 1. The principal access is from I-15 and the town of Las Vegas, Nevada. While traveling north on I-15, take exit 58 to Nevada State Route 91 and continue north to US Highway 93. Continue north across US Highway 93 on Las Vegas Boulevard North for 5.7 miles. The Project area is 0.7 miles west on a dirt road on Bureau of Land Management (BLM)-managed public lands.

Usha Resources, Ltd. (USHA) plans to drill exploration well JP-2202B from a constructed drill pad via existing roads and cross-country travel. Activities proposed by Usha Resources are shown on Figure 2. The exploration well will be drilled to a depth of 1,969 feet (600 meters). Water table depth is unknown but expected to be 60 feet deep.

The drilling plan includes the following:

- Drill to a depth of 100 feet using mud a rotary bit.
- Set cemented HWT surface casing to 100 feet.
- Drill from 100 feet to approximately 500 feet using mud a rotary bit.
- Drill from 500 feet to 1,969 feet using a wireline HQ core.
- Collect core samples approximately every 100-200 feet from 500 feet to 1,969 feet.
- Set temporary 3" schedule 80 slotted PVC casing from the base of HWT casing to well bottom.
- Develop the well using airlift and take three samples at regular intervals throughout the hole.
- Monitor static depth to groundwater.
- Run wireline geophysical detection equipment.
- Take groundwater samples for geochemical analysis at selected intervals approximately every 50 feet using HydraSleeve, Snap Sampler or equivalent.
- Plug and abandon the well within 60 days of completion.

New and Existing Disturbance

The Project area is popular with off-highway vehicle users and an extensive network of routes occurs in the lakebed and in the surrounding vegetation communities. There is a network of existing roads in the Project area. There are two overhead transmission lines in the Project area, one in the northwest portion and one in the southern portion. The transmission lines have associated access roads and existing blocks of disturbance from tower placement.

Existing roads are wide enough for equipment access and no road improvements are necessary. Usha Resources will conduct a total of approximately 1,474 feet of cross-country travel to access the drill site. The drill pad will be 60 feet by 60 feet with a sump included in the drill pad. Disturbance of vegetation and shrubs will be avoided where possible during cross country travel and pad construction.

Solid Waste and Hazardous Materials

Solid waste generated will be collected in approved waste bins equipped with lids by USHA contractors and removed from site on a regular basis for disposal at an authorized landfill. Waste bins will be regularly inspected for leaks to minimize impacts during precipitation events, and the lids will remain closed and secured except during active disposal of debris.

Hazardous substances will not be disposed of in solid waste bins used at the Project. Hazardous materials will include approximately 150 gallons of diesel fuel and 50 gallons of gasoline, and these will be stored in fuel delivery systems on earth-moving equipment and support vehicles. Diesel fuel will be transported in a truck-bed-mounted external tank and in internal vehicle fuel tanks. Gasoline will be transported in hand-held containers and in internal vehicle fuel tanks. Lubricating grease will be transported in five-gallon tubs (or similar containers). All containers of hazardous substances will be labeled and handled in accordance with Nevada Department of Transportation and Mine Safety and Health Administration regulations.

Fluid Management Plan (NAC 534B.140(1)(C)

Fluid will be purchased from the town of Las Vegas or another nearby municipality. Drill cuttings and mud will be maintained within the mud system of the rig. A sump will be constructed within the drill site disturbance footprint to contain drill cuttings and manage drilling fluids. Best Management Practices (BMPs) for sediment control will be utilized during construction, operation, and reclamation to minimize sedimentation from disturbed areas.

Contamination Prevention/Cementing Plan (NAC 534B.140(1)(D)

The first 100 feet of the well will be nominal 8.5-inch diameter with a 4.5-inch diameter conductor casing to be set and cemented in place with neat cement to the surface. Depth to water in the basin is unknown and expected to be 60 feet below ground surface (bgs). There are no known freshwater aquifer systems in the project area, but the proposed casing depth is intended to protect and isolate any unidentified groundwater from the well bore, control formation fluids, prevent blowouts and uncontrolled fluid flows at the surface.

An HQ size corehole 3.875-inch diameter will be advanced through the cemented surface casing using a bentonite clay based drill mud to maintain hole integrity to the base of the exploration well. After completion of the well, the entire length will be screened with a factory slotted 3" schedule 80 PVC casing set from the base of the conductor casing to the end of the hole to maintain hole integrity during geophysical investigation and fluid sampling.

After drilling begins, USHA and their consultants will monitor activities to ensure no remedial actions are required during drilling relating to unwanted vertical migration of fluids and will maintain communication with the Nevada Division of Minerals (NDOM) to ensure appropriate implementation of contamination prevention plans. USHA is committed to working closely with the relevant regulatory authorities in all aspects of the Project and will expeditiously follow any guidance from the regulatory authorities with respect to any corrective or remedial measures.

The temporary well casing and the well bore will be plugged and abandoned in accordance with NAC 534B.140(1)(D) upon completion of sampling or within 60 days from completion of drilling.

Flow Monitoring and Plugging Plan -NAC 534B.140(1)(E)

Brine extracted from the core hole as part of the drilling process will be managed and circulated through the sump. The volume of brine loss will be estimated and recorded after completion of the core hole based on the sump volumes.

Upon completion of the core hole, a temporary 3-inch schedule 80 slotted PVC well casing will be installed from the base of the cemented surface conductor casing to the bottom of the hole (100 feet to 1,967feet). The well casing will be airlift developed, logged with wireline geophysics and sampled. The temporary casing will then be removed so the well can be plugged and abandoned in accordance with NAC 534B.140(1)(E). Artesian conditions are not anticipated on the Project.

A licensed Nevada well driller pursuant to NRS 534.140 will supervise the abandonment of the well to meet applicable regulations and conditions of the permit. The temporary well will be abandoned by placing cement/bentonite grout by tremie pipe from the bottom of the well to the base of the conductor casing (e.g., 100-feet bgs). Neat cement will then be placed by tremie from 100 feet bgs to the ground surface. The remaining casing will be cut flush with the ground surface and the drill pad will be reclaimed in accordance with the conditions of the permitted BLM Notice of Intent. Costs for abandonment are included in the bond posted in the BLM NOI N-101348. All necessary reports and documentation will be provided to the relevant regulatory authorities as soon as practicable and, in all cases, within the permissible timeline.

Additional Protection Measures for Natural Resources

Surface & Groundwater - Erosion Prevention and Control

Exploration operations will be conducted in such a manner to minimize soil erosion. Equipment will not operate on ground with conditions that will cause excessive soil damage or a significant increase in sediment transport. BMPs for sediment control will be utilized as needed during construction, operation, and reclamation to minimize sedimentation of disturbed areas. Sediment control structures will include, but not be limited to, fabric and/or certified weed-free straw bale filter fences, siltation or filter berms, mud sumps and down gradient drainage channels to prevent unnecessary or undue degradation to the environment. Sumps constructed within the drill site footprint will be used to settle and contain drill cuttings and manage drilling fluids. Weed-free straw bales and silt fences may be placed strategically around the sumps and drill site footprint to capture sediment.

Surface & Groundwater-Stormwater and Control

Sediment controls such as straw or hay bales, filter fences or other controls will be implemented as necessary. Where straw or hay bales are required, only certified, weed-free product will be used. While not anticipated due to the generally flat terrain, stormwater controls will be constructed or installed where necessary to prevent or minimize erosion and sedimentation. Drainage structures will consist of, but not be limited to, water bars, borrow ditches, and contour furrows sized to handle maximum seasonal water flows. If construction of any control measures is required, the disturbed areas will be broadcast seeded and raked in with a BLM approved weed-free seed mix to reduce erosion immediately after construction. Once an area has been revegetated, notices and/or signs may be posted to allow vegetation to establish while reducing or restricting vehicular traffic.

Drilling Effluent Management

Drilling fluid products used during drilling and abandonment operations will be contained and deposited in tanks with overflow to sumps to ensure environmental protection.

Overflow and mud sump for drill water, fluids, and cuttings will be excavated within the limit of the drill site using a backhoe. Anticipated sump dimensions, including the material piles, will be up to 50-feet long by 20-feet wide by 4-feet deep with a total sump volume of 148 cubic yards. One end of the sump will be sloped to provide egress for wildlife and/or other animals.

Sumps will be backfilled after completion of drilling. If mud tanks are cleaned at the site, the contents will be contained in the sump and covered with backfilled soil materials.

Logging, Sampling and Reporting

During drilling, consultants for USHA will log the chips from the first 500 feet of the exploration well and complete core logs from 500 feet to the final depth. At completion of drilling USHA plans to conduct geophysical wireline logs to assess the geophysical parameters of the lithology drilled. USHA plans to collect brine samples approximately every 50 to 100 feet to assess the brine chemistry using depth specific bailers and measure the static water level in the temporary exploration well. USHA will submit all data and analysis to the relevant regulatory authorities in a timely fashion in accordance with all regulatory requirements of the DMRE permit.

Reclamation

Reclamation will begin after abandonment of the well has been complete, which is not expected to take more than 30 days from the start of drilling. Reclamation will be completed under the standards described in 43 CFR 3809.420. Usha Resources will plug and abandon the temporary exploration well according to State of Nevada regulations in NRS 534. Constructed drill pads including the sumps will be regraded to the natural contour and slope of the surrounding topography. Existing roads will remain open, and any damage from Project activities will be repaired. Topsoil from drill pad construction will be stockpiled and used in the reclamation of the drill pad.

The reclaimed areas will be seeded with a BLM-approved seed mix at the appropriate time of year for emergence and establishment of vegetation. The reclaimed surfaces will be left in a textured or rough condition (small humps, pits, etc.) to provide an adequate seedbed. Seeding will be completed with a broadcaster and drug to improve seed-to-soil contact, and the rate of broadcast application will vary based on the shrub, forb, and grass species selected. Only certified weed-free seed will be used for reclamation seeding, and native seed will be used when available.

Site monitoring for stability and revegetation success will be conducted in accordance with the Guidelines for Successful Revegetation for the Nevada Division of Environmental Protection and the Bureau of Land Management. A bond of $45,985 has been submitted to the BLM to cover costs of reclamation.

STEVE SISOLAK
Governor

State of Nevada

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October 7, 2022

NDOW-SR #: 23-043

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Re: Notice to Conduct Mineral Exploration at the Jackpot Exploration Project, Dry Lake, Clark County, Nevada

Dear Ms. Luxford

Thank you for apprising the Nevada Department of Wildlife of the proposed lithium brine exploration. We understand Usha Resources, Ltd. proposes drilling exploration holes from six constructed drill pads, gaining access to each by using both existing roads and cross-country travel. Existing roads to 2 drill sites are wide enough for equipment access and road improvements are unnecessary. Usha Resources will access the other four drill sites on an approximate total of 4,530 feet of cross-country travel. Drill pads will be 60' x 60' in area; sumps would be included in the drill pad. Disturbance of vegetation and shrubs would be avoided where possible during cross-country travel and pad construction. Topsoil from drill pad construction would be stockpiled and used in drill pad reclamation. Three shallow drill holes will be 984 feet deep, and 3 drill holes will go to a depth of 1,969 feet. Water table depth is an unknown but expected to be 60 feet deep.

Our review is based on familiarity of the area's past and present uses and how the proposed drill exploration may potentially affect Nevada's wildlife resources. The greater Dry Lake vicinity has been under industrial development for some time. More recently, significant energy generation and transmission development has and is occurring within the Dry Lake Solar Energy Zone immediately southwest and the Moapa River Piute Reservation to the northeast. Some of the mitigation related to surface disturbances associated energy development has included translocation of the protected Mojave desert tortoise (*Gopherus agassizii*) off project sites to nearby areas. Individual tortoises have been observed during the active season coincident with area rainfall events near the drilling exploration area. A known record for the State protected Gila monster, a reptile rarely observed, was reported along an access road to the Harry Allen substation. Migratory birds, including ground-nesting species, frequent the area seasonally.

Although drilling is scheduled for Fall 2022, predicted dates of completion and reclamation were not obvious. We offer the following additional BMPs designed to eliminate or reduce the level of potential impact from the proposed exploration activities on wildlife and habitat.

Page 5, Section 4.0 Environmental Protection Measures,
Wildlife: Section states, "Areas containing sensitive species will be avoided. No active raptor or migratory bird nests will be removed as a result of any exploration activities."

We anticipate BLM would prescribe worker awareness education concerning at least the desert tortoise and other special status species for projects such as this; however, it is unclear whether onsite worker education practices are in place. For example, sensitive species like the desert tortoise can be highly mobile during the active season and tortoises are known to seek shade beneath vehicles where workers should check before operation. Speed limits of 15 miles per hour are encouraged on all unpaved roads in the project area for minimizing dust and avoiding collision and incidental death or injury of local wildlife. Using NDOW's Gila monster reporting protocols is also requested. These are online at https://www.ndow.org/publications/?phrase=Gila+monster+encounter+protocol.

Avoiding bird nest removal is one measure when breeding migratory birds are in consideration. Birds protected under the Migratory Bird Treaty Act (MBTA) and Bald and Golden Eagle Protection Act are also State protected wildlife (Nevada Administrative Code 503.050). Mindful of project site location, bird nesting generally occurs from mid-February through August. In view of proposed activities, an impact minimization measure in lieu of avoiding drilling activities during the nesting season is performance of a pre-construction survey by a qualified biologist for determining the presence of active nests (containing eggs or young), especially those of cryptic and difficult to detect ground-nesting species like the lesser nighthawk and burrowing owl. In the event an active nest is discovered or frequently attended by adult birds, a buffer area around the nest appropriate for the species involved would be identified and avoided until young birds have fledged. This measure would be consistent with preventive actions advocated by the U.S. Fish & Wildlife Service concerning MBTA-protected birds.

Drill sumps should be fenced with an exclosure fence (desert tortoise specifications) on three sides and then fenced on the fourth side once drilling has been completed to prevent access by wildlife and to prevent and deter access by people. The fencing would remain in place until the start of drill sump reclamation. To prevent wildlife or persons from becoming entrapped, one side of the drill sump walls would be sloped at an incline of approximately 30 percent.

Thank you again for this review opportunity. Should you need further assistance or have any questions regarding this letter, please contact me or Habitat Mining Biologist Tracy Kipke who can be reached at tkipke@ndow.org.

Sincerely,

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