

Dear Royalty Holders,

I hope everyone had a great July 4th weekend. Now that we are past the first half of the 2019 calendar year I thought I would take this opportunity to update everyone on the status of the operation.

Our facility in South Carolina is basically complete and ready for production. Both the small and large furnaces are now operable. The installation of the environmental air scrubber, which is required to ensure there is no emissions from our smelting operation, is also complete and operable.

Over many months we have performed extensive testing of the Liberator utilizing multiple ores. The Liberator is performing extremely well. The result of this testing determined that the feed material (ore) needed to be reduced to a size of approximately 100 mesh (150 microns) in order to produce the metallic values necessary to be economically viable and trigger production. As a result, this required a significant change to our existing concentration processes. We have been working with many different potential companies and processes but have narrowed it down to the following specialists to concentrate the finer feed material.

Below are the three current scenarios which will achieve our desired particle size reduction goal:

1. *Gravity Mining (Great Britain)*: We currently have multiple ore samples being tested with them and expect to have results within the next few weeks. Once testing and validation is complete and acceptable, the timeline for machine construction, receipt and installation is estimated to be 5 - 6 weeks. If you have interest in learning more about Gravity Mining, feel free to view their website - www.gravitymining.com.
2. *University of North Carolina State (NCSU) - Mineral Labs*. We currently have ore samples being tested with their team of specialists and expect to have results within the next few weeks. Once testing and validation is complete and acceptable, the timeline on the flotation system from their vendor is estimated to be 6 - 7 weeks. If you have interest in learning more about NCSU. Website - <https://mrl.ies.ncsu.edu>.
3. Our team is also moving forward with the purchase of a Chinese made Centrifugal Vortex Gold Concentrator. The delivery timeline of this machine is estimated to be 6 - 7 weeks. Website - www.benefication.com/products/gravity/61.html.

All three processes claim to have the capability to capture metallic materials at a size compatible with the Liberator process, possibly even as small as 4 microns, which would meet our desired goal and allow us to initiate production.

I will let everyone know as soon as possible that we are in production and when to expect royalty checks.

Thank you again for your continued patience! We are down to the final piece.

Sincerely,



Lee Wiskowski
Manager