**Subject:** Nevada Organic finally gets permission to test for proof of concept
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Kaiser Watch

# Nevada Organic finally gets permission to test for proof of concept

Why do agency officials think sage grouse are super stupid?

JOHN KAISER
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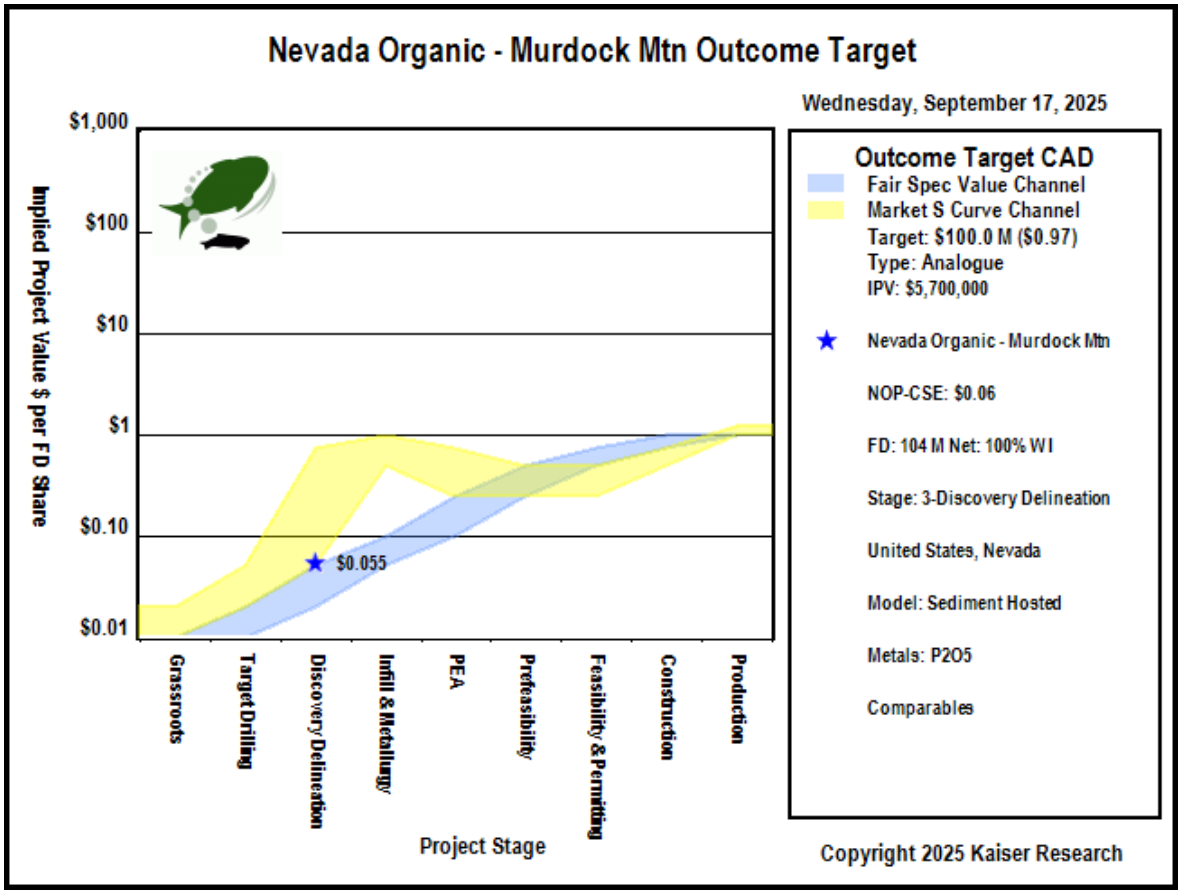
**Nevada Organic Phosphate Inc** announced on September 17, 2025 that the BLM has finally approved a drill permit for the phosphate lease application it approved in September 2024. But because the approval was so close to the sage grouse nesting restriction window of November 1 through March 31, NOP was unable to get a drill program funded and underway last year. When the junior paid its reclamation bond in April 2025 it could not get the physical drill permit because a Nevada wildlife agency weighed in claiming there was a problem because the restricted habitat had no evidence of a sage grouse population, and consequently the area should be off-limits to any phosphate leases (no, this does not make sense). This created a problem for the BLM because if this were the case it should never have let NOP go through the lease application process. These government agencies did not get this sorted out until last week when a decision was made, but instead of just handing it to a NOP representative, they decided to snail mail the document and refused to divulge what the decision was. This is how the American exploration permitting systems

still function. A race is now underway for NOP to raise CAD $1 million by September 26 and mobilize a 12 hole drill program designed to confirm that sitting underneath the Leach Mountain range in northeastern Nevada there is an enormous resource of phosphate that qualifies as organic and can be underground mined like a coal seam and become a scalable replacement for manure and bone-meal as a source of phosphate for the organic agriculture sector.

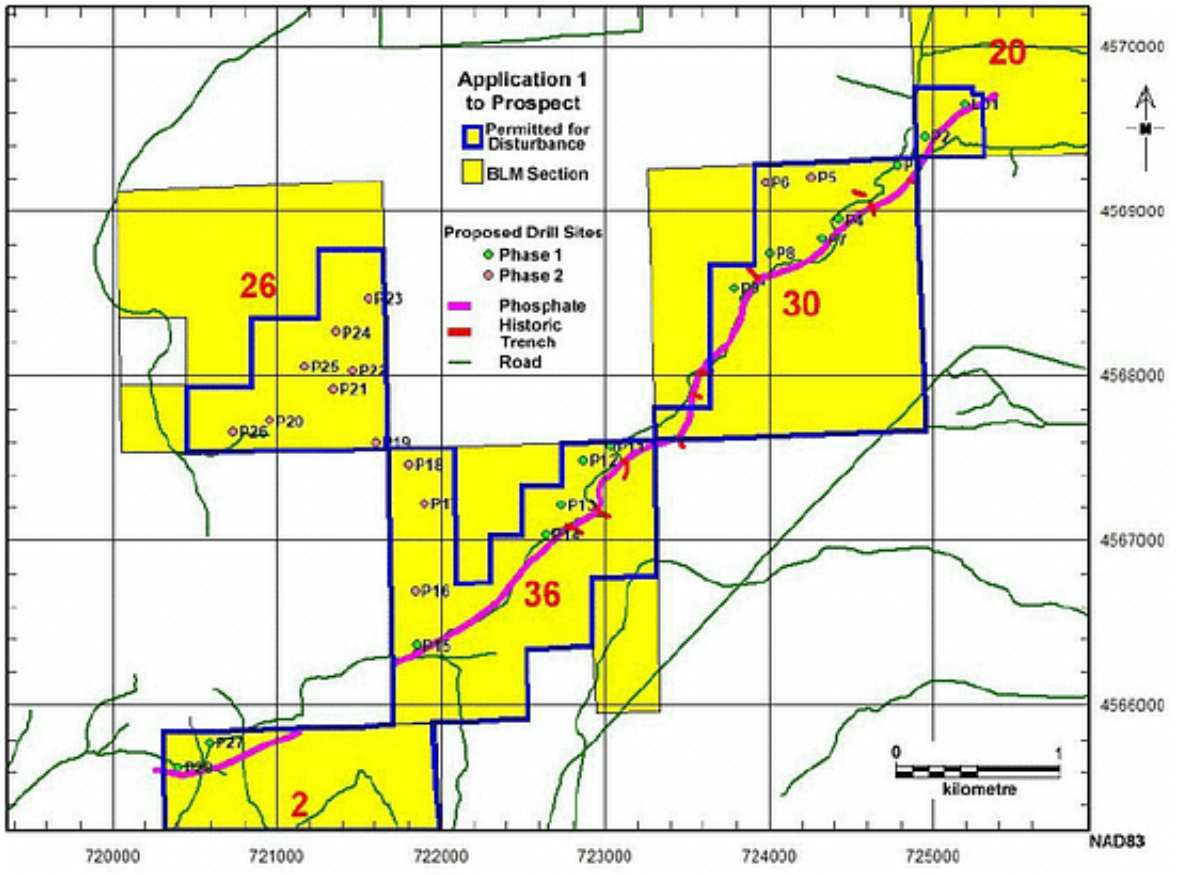



The CSE on which Nevada Organic Phosphate Inc is listed has a minimum $0.05 price for a private placement financing, so we can probably expect a 20 million unit financing at $0.05 with a full warrant, adding 40 million more shares to the 104 million fully diluted. If CEO Robin Dow gets this financing done it would come free trading in February 2026, representing a massive lid on the stock as Canadian warrant clippers and flippers rush to secure a free lunch. However, Robin plans to have a warrant expiry acceleration clause attached to this private

placement, so he may end up with quality placees rather than the usual Canadian rabble. By the time this financing comes free trading NOP will have the answer to key questions about the Murdock Mountain phosphorite beds, and if they green light the organic phosphate story, the upside valuation limit may prove to be much higher than the CAD $100 million outcome target I have currently assigned to this project. The warrants will either not be long-lived or eternally worthless.

The outcropping phosphorite beds at Murdock Mountain have been known about since the 1960s but they have never been drilled because the outcropping beds assay only 3%-5% P2O5, far below the 30%-35% grades of the phosphorite beds in Idaho. But back then there was no demand for organic nuts, fruits and vegetables as there is today. The Idaho phosphorite beds have a problem in that their heavy metal content is above the Heavy Metal Index maximum levels set by the USFDA. So these phosphate beds need to be chemically processed to eliminate or reduce these heavy metals which includes goodies like thorium and uranium. The resulting MAP and DAP phosphate fertilizer consequently does not qualify as organic, though that hardly matters for soybean, corn and grain crops which contribute to America's obesity problem.

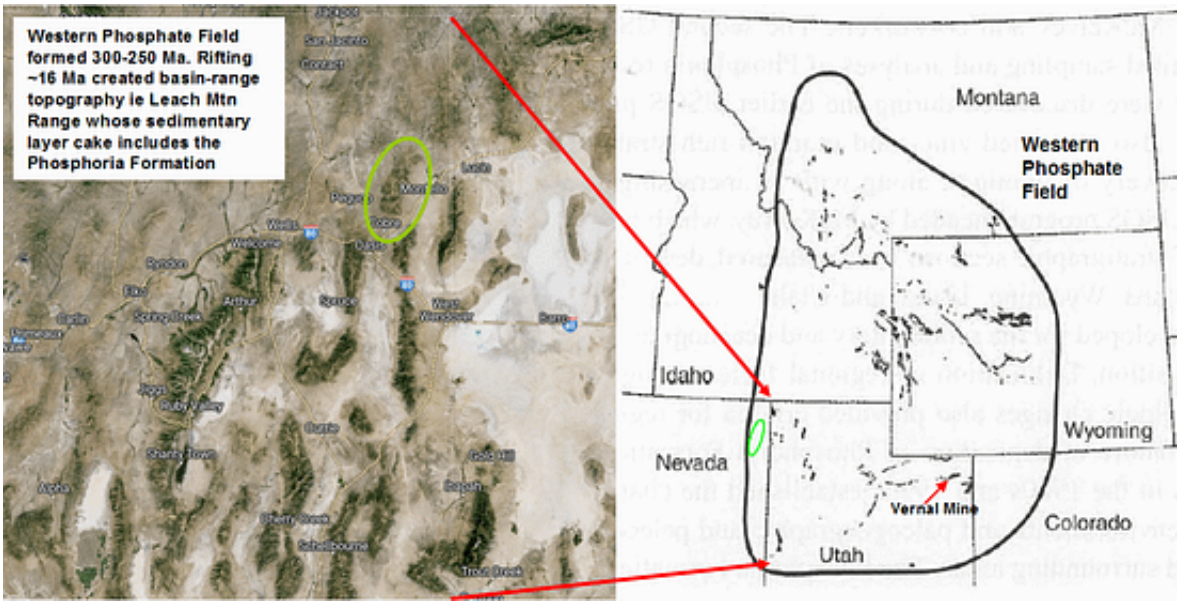
The chemical assays of the Murdock Mountain phosphorite beds indicate that heavy metals are well below the HMI limits, which means that the phosphate bearing rock could be ground up and sold as a whole rock product that is easy to transport and can be directly applied to fields where the goal is to grow crops certified as organic. It is a variation of the glauconite story of Verde Agritech Inc where it markets K Forte as a ground up silica based source of slow release potassium as an alternative to salt based sodium chloride for Brazilian crops.




The company believes that it can complete a dozen holes ranging 125-250 m depth within 3 weeks, which means it needs to be on site with a rig by the second week of October. It plans to drill the holes along the 6 km strike of the A bed with 500 m spacing. The hope is that this will be sufficient for a third party to produce a 43-101 compliant inferred resource. This is an important milestone because the BLM will not grant title in the form of an actual phosphate lease unless NOP demonstrates there is a resource potentially worth developing. And it has two years to do that. A resource estimate is possible by March 2026, but NOP may learn that it needs to drill more holes. By April 2026 when the sage grouse restriction is over it will already know if Murdock Mountain is a bust or an emerging winner.

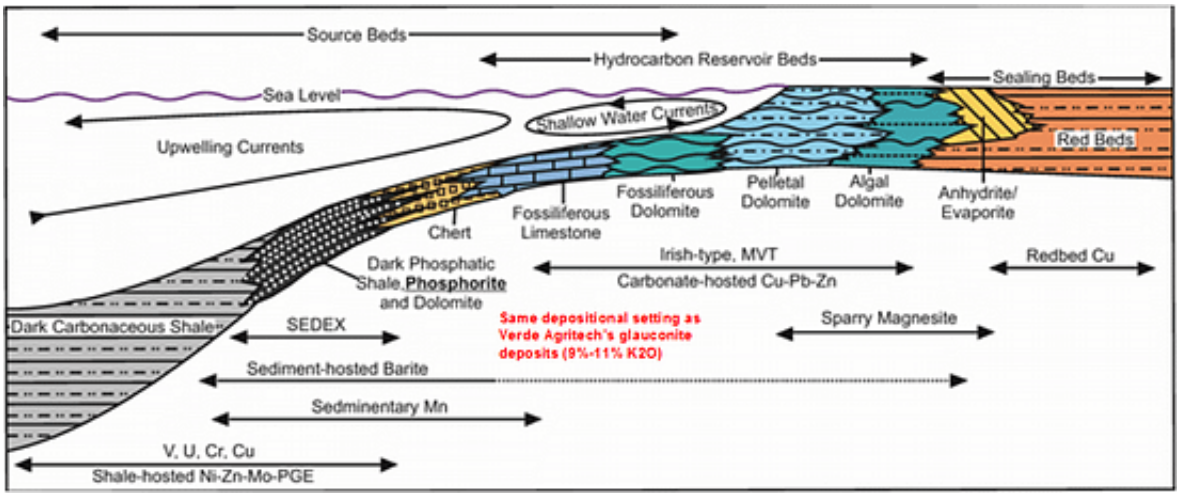
The most important milestone, however, should be in hand by December. A key purpose of the planned Murdock Mountain drill program is to determine what happens to the phosphorite bed when you get away from the weathered outcrop into fresh bed material. Garry Smith's experience is that weathering can affect

outcropping beds down dip as much as 50 meters. Two important things could happen. One is that the grade could be higher, possibly in the 12%-18% P2O5 range, still well below the Idaho beds, but much better than the 3%-5% at the weathered outcrop surface. Such a high grade would not be good for a whole rock product applied directly to fields, but it would give the operator flexibility to mine part of the hanging wall and footwall beds sandwiching the phosphorite bed, and blend to a consistent grade range suitable for direct application.



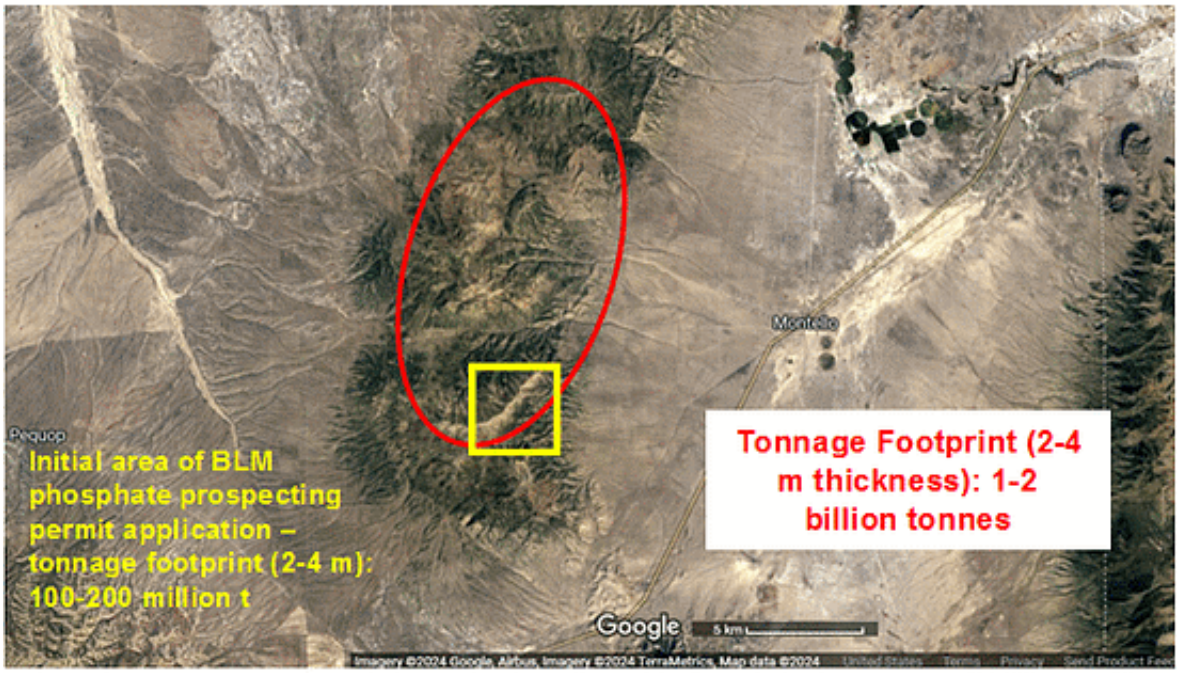

This phosphate grade outcome is not as important as the grade of the heavy metals in the fresh phosphorite bed. While the P2O5 grade may have been leached through the weathering of the outcrop, did the same happen to the heavy metal content? The expectation is that these heavy metals are not as mobile, so the low levels at the weathered outcrop surface should be the same as in the fresh rock. But geochemical assays are needed to confirm this, because if the heavy metals exceed the HMI levels, the organic phosphate story evaporates and NOP becomes a shell. This is a critical milestone that needs to be overcome and would become known with the first assays which arrive as early as November. If the heavy metal content is well below HMI thresholds, that will answer the question for the entire "A" bed at Murdock Mountain. The reason is that the phosphorite bed is part of the vast Western Phosphate Field which formed through marine sedimentary precipitation within a giant inland sea,

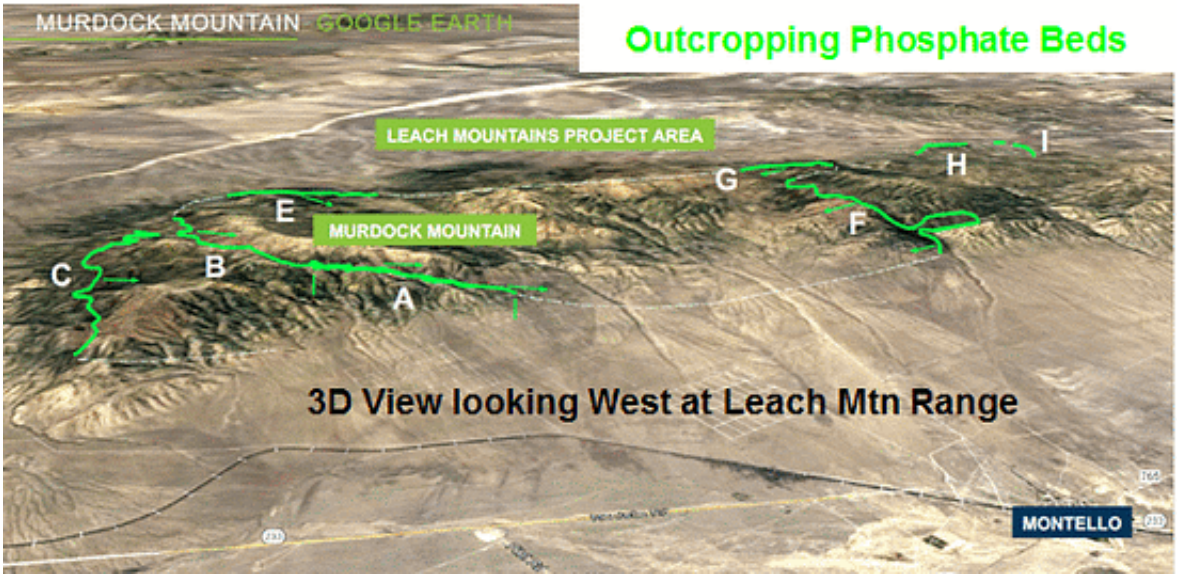
which also happens to be how the glauconite of Verde Agritech formed. This chemical precipitation happened over a large area scale, so geochemical variation should be minimal over large areas.




Another key question the 12 hole drill program will answer is the consistency of the bed's thickness and lateral continuity. This is critical for low cost underground mining; the beds need to resemble coal seams and not be locally disrupted by faulting. Given that the bed dips into Murdock Mountain, which is part of the Leach Mountain range that formed 16 million years ago when Nevada's rifting created the basin-range topography, these phosphate beds are not going to be laterally continuous like the sylvite beds in Saskatchewan. The key will be that segments such as the 6 km strike of the "A" bed are locally intact. For example, suppose the "A" bed has dimensions of 6,000 m by 4 m thick by 500 m down-dip with specific gravity at 2.6: this would represent a footprint of 31.2 million tonnes. If the drill can establish that such segments exist, it has implications for scaling this story very large.

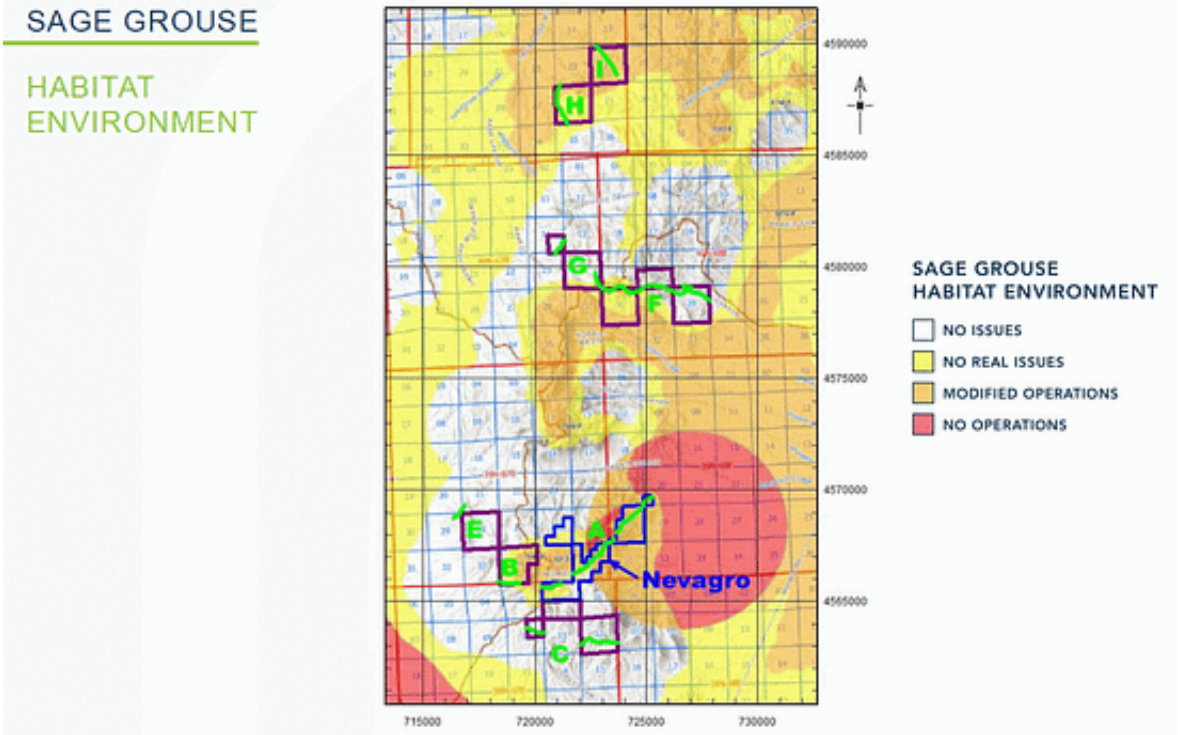
**Top View of Leach Mtn Range: potential footprint of phosphate bed**



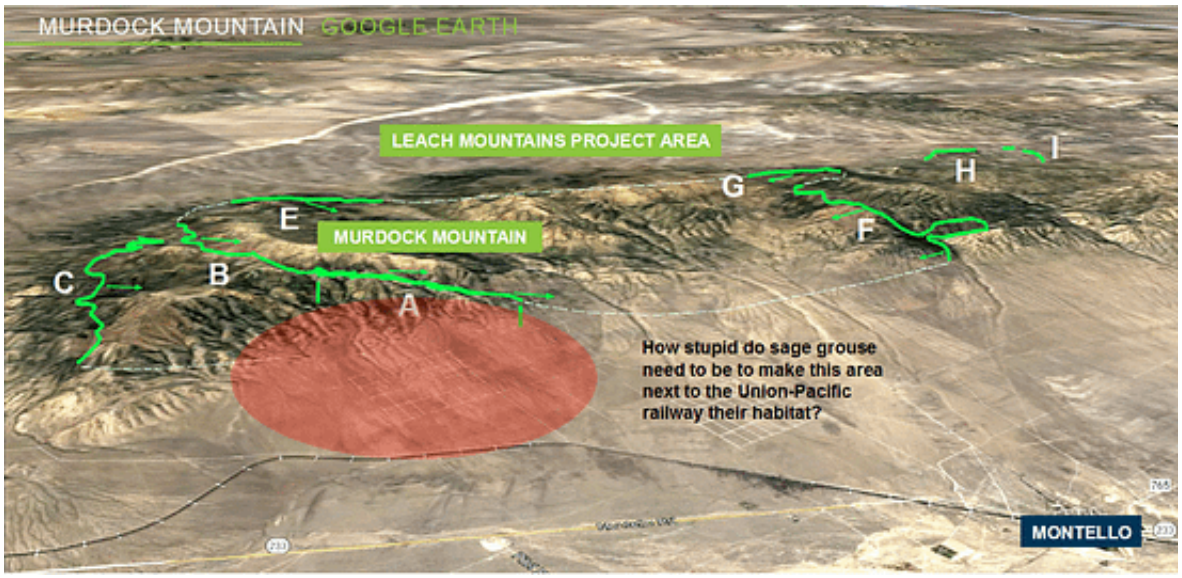




The diagram above combines a Google Earth plan view with a 3D view on which NOP has highlighted in green where it expects the phosphorite bed to outcrop on the margins of the Leach Mountain range. They have been labeled A-I (D is off the view). The initial focus is on Bed A because its outcropping nature has already been documented. The company has submitted phosphate lease applications to cover other parts of the Leach Mountain Range where it expects the bed to daylight. Buried beneath the Leach Mountain range is probably a phosphorite bed with a 1-2 billion tonne resource. However, only those edges

accessible from surface would ever be targeted for mining. As soon as proof of concept is in hand for Bed A NOP will take steps to secure title to these other areas for two reasons. One reason is that it wants to prevent competitors from grabbing some of these other potential beds: ownership of everything would make NOP much more attractive to a major fertilizer producer seeking to grow and dominate the organic phosphate market.




The other reason, perhaps more important, is that while all the other beds may be similar to Bed A, the locations vary in terms of sage grouse habitat sensitivity. An obvious concern is that if NOP spent three years getting permission to drill a dozen proof of concept holes, would not getting a mining permit be hopeless? Consider the sage grouse habitat sensitivity map above. It shows where NOP has phosphate lease applications filed and waiting for the environmental assessment work. It also color codes sage grouse habitat sensitivity. Look at the reddish area above that is subject to strict bans. Look at the 3D view below where I have circled the "forbidden zone" covering the flats between the range and the Union-Pacific railway. The wildlife agency is puzzled as to why there is no documented evidence of sage grouse in this area.




When Wolfden Resources Corp wanted to drill its Rockland gold prospect in Nevada during April a USFS official noticed that the drill pad was located just under 5 miles from a documented golden eagle nest in the range front. Never mind that the drill target was out in the flats. Wolfden was not allowed to drill until the end of the nesting season in mid July because the sound of the drill might disturb the nesting raptors. The sage grouse restricted area near Montello covers the flats right next to the railway. How far away do you have to be not to notice the sound and vibrations of a freight train? If it is true that this sort of noise disturbs nesting birds, why are the wildlife agency officials surprised that there are no sage grouse in this particular area? Do they think sage grouse are dodo birds? Why was this area even designated as sensitive habitat? NOP has these other lease applications pending because when somebody actually investigates the sage grouse population around the Leach Mountain range, a real map of sensitive habitat will emerge and NOP will seek a mine permit for the bed in the least sensitive area.

| Fair Speculative Value Ladder | | | | |
|---|---|---|---|---|
| USD OV NPV | OV NPV | Exch Rate | Diluted | Net Interest |
| $100,000,000 | $100,000,000 | 1.0000 | 103,568,905 | 100.00% |
| Project Stage | Uncertainty Range | FSV Range | FSV per Share Range | MSV per Share Range |
| Grassroots | 0.5% - 1.0% | $500,000 - $1,000,000 | $0.00 - $0.01 | $0.01 - $0.02 |
| Target Drilling | 1.0% - 2.5% | $1,000,000 - $2,500,000 | $0.01 - $0.02 | $0.02 - $0.05 |
| Discovery Delineation | 2.5% - 5.0% | $2,500,000 - $5,000,000 | $0.02 - $0.05 | $0.05 - $0.72 |
| Infill & Metallurgy | 5% - 10% | $5,000,000 - $10,000,000 | $0.05 - $0.10 | $0.48 - $0.97 |
| PEA | 10% - 25% | $10,000,000 - $25,000,000 | $0.10 - $0.24 | $0.24 - $0.72 |
| Prefeasibility | 25% - 50% | $25,000,000 - $50,000,000 | $0.24 - $0.48 | $0.24 - $0.48 |
| Permitting & Feasibility | 50% - 75% | $50,000,000 - $75,000,000 | $0.48 - $0.72 | $0.24 - $0.48 |
| Construction | 75% - 100% | $75,000,000 - $100,000,000 | $0.72 - $0.97 | $0.48 - $0.72 |
| Production | 100% | $100,000,000 | $0.97 | $0.97 - $1.21 |

Nevada Organic Phosphate Inc was made part of the 2025 Favorites Collection because, despite the risks associated with substantial upside potential, it is a novel story that may appeal to a type of investor not interested in gold plays. The idea of a scalable organic phosphate supply might not appeal to corn syrup enhanced rural Americans, but serviced by the Union-Pacific railway is a nearby state with nearly 40 million people and an economy that would rank fifth in the world if it became an independent nation. California also has a substantial nuts, fruits and vegetable farming economy, a portion of which supplies people who value organic certified food. This audience probably will not be interested in this junior until it has cleared the key milestones outlined above. One of the ones I have not talked about is certification of the Murdock Mountain phosphate as organic. The 12 hole drill program will be done with large diameter core so that NOP can prepare samples blended to the target phosphate grade and submit them to an agency for certification. That milestone could be achieved in H2 of 2026. This milestone will only matter if the other ones are cleared, and if these are all delivered, along with evidence that NOP controls hundreds of million tonnes of organic phosphate rock, the target outcome will become much bigger than CAD $100 million.

*John Kaiser owns shares of Nevada Organic Phosphate Inc

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