

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name Idaho Strategic Resources, Inc.		2 Issuer's employer identification number (EIN) 82-0490295	
3 Name of contact for additional information Monique Hayes	4 Telephone No. of contact 208-625-9001	5 Email address of contact monique@idahostrategic.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 201 N Third Street		7 City, town, or post office, state, and ZIP code of contact Coeur d' Alene, ID 83814	
8 Date of action December 6, 2021		9 Classification and description 14 for 1 reverse stock split	
10 CUSIP number 645827205	11 Serial number(s)	12 Ticker symbol NJMC	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ►

December 6, 2021 is the record date for which Idaho Strategic Resources, Inc. completed the reverse stock split of its common stock at a ratio of 14-for-1, as previously approved by shareholders. The Company's stock will begin trading on a post-split basis at the open of trading on December 6, 2021.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► The reverse stock split was a non-taxable transaction. Upon the 14 to 1 reverse stock split, each shareholder of the issuer will receive 1 common share in exchange for 14 common shares held. As a result of the reverse stock split, shareholders will be required to allocate the aggregate tax basis in their common shares held immediately prior to the reverse stock split among the share of common stock held immediately after the transaction.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► While the per share basis is impacted, the basis of the shareholder's total investment remains unchanged. The shareholder's per share cost basis of their newly acquired share is 14 times the original per share basis immediately before the transaction.

As an example, if the shareholder's per share basis was \$1 before the reverse stock split, the per share basis will be \$14 after the reverse stock split.

Shareholders with blocks of pre-split stock not divisible by 14 which reflect pre-split common stock acquired at different times or different prices must replicate such blocks of pre-split common stock received pursuant to a formula provided in Treasury regulations that seeks to preserve, to the greatest extent possible, the basis of a particular block of pre-split common stock in one or more post-split common stock shares received in exchange therefore. This may require the aggregate basis in one block of pre-split common shares to be allocated to post-split common stock in a manner where some post-split common stock may have split basis and holding period segments.

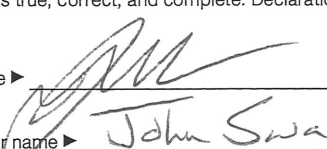
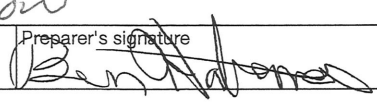
Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► The reverse stock split is a non-taxable recapitalization pursuant to Section 368(a)(1)(e) of the Internal Revenue Code. Section 354(a)(1) provides, that no gain or loss shall be recognized if stock in a corporation is exchanged solely for stock in such corporation. The adjustment to shareholder's basis is determined under Section 358(a).

18 Can any resulting loss be recognized? ► The reverse stock split is non-taxable and therefore no gain or loss is recognized as a result of the transaction.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The reportable year in which the reverse stock split occurred is 2021.

The information set forth in this form 8937 does not constitute tax advice, does not take into account any shareholder's specific facts and circumstances and does not purport to be a complete summary of the tax consequences of the reverse stock split to a shareholder. Each shareholder should consult such shareholder's own tax advisor with respect to the tax consequences of the reverse stock split.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ► 	Date ► <u>1/15/22</u>		
	Print your name ► <u>John Swallow</u>	Title ► <u>CEO</u>		
Paid Preparer Use Only	Print/Type preparer's name <u>Ben Haberman</u>	Preparer's signature 	Date <u>1/15/22</u>	Check <input type="checkbox"/> if self-employed PTIN <u>P00998386</u>
	Firm's name ► <u>Assure CPA LLC</u>	Firm's EIN ► <u>91-1632354</u>		
	Firm's address ► <u>7307 N Division st, ste 222 Spokane WA 99208</u>	Phone no. <u>509-535-3503</u>		