April 25, 2023

Mr. Dayne Doucet
Consolidated Mining Permit Lead
Oregon Department of Geology and Mineral Industries
Mineral Land Regulation & Reclamation
229 Broadalbin St SW
Albany, Oregon 97321

RE: Submittal of Documents in Response to Comments 110, 112, 113, 115, 152, 153, 422, and 423 in October 20, 2022, Comments for the Consolidated Permit Application, Grassy Mountain Mine Project

Dear Mr. Doucet:

This letter accompanies the submittal of the document listed below in response to Comments 422-423 in the October 20, 2022, Comments for the Consolidated Permit Application (CPA).

- Comments 110, 112, 113, 115, 152, 153:
  - Appendix D1, *Reclamation Plan* (April 2023; Appendix D1 to the CPA)
    Two redline documents are submitted – one with updates made in the October 2022 submittal to BLM, and the other includes additional redlines made after the October 2022 submittal to BLM.
- Comments 422 and 423:
  - Appendix C, *Post-Closure Vegetation Success Criteria* (Appendix C to Appendix D1, *Reclamation Plan*)

The document submittal records for the comments noted above are attached. Please see the "Response (Apr 2023)" information for your consideration.

Please contact me at (775) 625-3600, glen@paramountnevada.com if you have questions or need clarification.

Sincerely,

Glen van Treek
President
Calico Resources USA Corp./Paramount Gold Nevada Corp.
(775) 625-3600
glen@paramountnevada.com

Att: Document Submittal Records

Attachment
Document Submittal Records

Comment Number: 110

Comment Number: 110	**Category:** 2	**Status:** B
Topic: Reclamation and Financial Security	**CPA Reference:** Appendix J (starts on pdf page 1739)	

Commentor: DEQ

Comment: The total estimated amount for remediation does not include all the elements required under OAR 340-043-0025. Examples:

- There is no mention of a "credible accident" or costs to address this.

- The cost for reclaiming (capping) the tailings disposal facility is estimated to be $1.331 million (pdf page 1749). According to section 4.7.1 (main portion of application), capping elements include a liner bedding layer, geomembrane, a drainage layer (12-18 inches), and a growth medium layer (12-24 inches). The Appendix J cost estimate includes $423,174 for regrading and $575,963 for "cover and growth media" consisting of 159,397 cubic yards. This cover and growth media volume over a 99-acre TSF comes out to a 1-foot thick cover layer. The other components, including the geomembrane, are not clearly included. Also, EPA guidance referred to in Div 43 rules requires a composite cap, consisting of a flexible membrane liner and a low-permeability soil liner. The proposed design does not include a composite cap.

The cost estimate does not include post-closure groundwater monitoring and other site maintenance activities, which likely will be required for a minimum of 30 years or more following closure.

This underestimate of reclamation costs would result in underfunding of the required financial assurance.

Proposed Resolution: Provide a comprehensive cost estimate, including all items, with unit costs and quantities for each item.

Initial Response to Comment: The Reclamation Plan has been significantly updated. This includes all elements required.

The bonding for credible accidents is not included in the Reclamation Plan and will be addressed during the permitting process.

Units, unit rates, etc. have all been updated and are detailed in the Reclamation Plan, notably the SRCE model.

The closure of the TSF is a composite cap and costs are detailed in the Reclamation Plan.

Post-closure monitoring is detailed in the Reclamation Plan including costs for 30 years.

Stantec – Comment Addressed as Indicated?	**Stantec – Preliminary Assessment – Sufficient Response?**	**TRT Response:**
Partially. More information is required.	Uncertain. DEQ to determine sufficiency of response and revision.	Under a solid waste scenario, an engineer evaluates the costs associated with the activities and if FA is adequate.

Preliminary Response to Comment: Credible Accidents are not included in the Reclamation Plan and associated RCE. The Reclamation Plan and RCE have been updated based on BLM comments and include exports from the SRCE model allowing for uses to view unit, unit rates, etc. within the plan.

Agency Comment:

Comment Number: 110	**Category:** 2	**Status:** B
Response to Comment (Feb 2023): Note: A joint bond is under definition between BLM and DOGAMI and not yet fully agreed upon. Because credible accidents are uncertain, Calico has proposed insurance coverage for the eventuality of an accident if Calico does not reclaim. We don't understand the comment at this stage. What additional information is required from Calico? DOGAMI will evaluate the costs and determine if the FA is adequate. "Partially. More information is required." Stantec "Uncertain. DEQ to determine sufficiency of response and revision. " Stantec "Under a solid waste scenario, an engineer evaluates the costs associated with the activities and if FA is adequate." TRT		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		

Comment Number: 112

Comment Number: 112	**Category:** 2	**Status:** B
Topic: Reclamation and Financial Security	**CPA Reference:** Appendix J (Reclamation Plan)	
Commentor: DEQ Comment: The reclamation cost estimate does not include certain elements (e.g., a credible accident, most of the TSF cap components, post-closure groundwater monitoring). Proposed Resolution: Provide a comprehensive cost estimate, including all items, with unit costs and quantities for each item.		
Initial Response to Comment: See response to comment 110.		
Stantec – Comment Addressed as Indicated? Partially. More information is required.	**Stantec – Preliminary Assessment – Sufficient Response?** Uncertain. DEQ to determine sufficiency of response and revision.	**TRT Response:** See 110
Preliminary Response to Comment: See Reponse to 110. Credible accidents are not included in the Reclamation Plan.		
Agency Comment:		
Response to Comment (Feb 2023): Credible Accident is not included the reclamation plan and RCE nor is it required to be. See response to comments 110 and 111.		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		

Comment Number: 113

Comment Number: 113	**Category:** 1	**Status:** C
Topic: Reclamation and Financial Security	**CPA Reference:** Appendix C, Sections 6.9.2, p. 26; 6.9.3, p. 27 "dissipation aprons"	
Commentor: DEQ Comment: OAR 340-043-0090(1) requires restoration of the natural drainage network to the maximum extent practicable, upon facility closure. There is insufficient detail to assess the adequacy of natural drainage restoration and reconnection. Proposed Resolution: Provide more detail, beyond an outwash apron, on the natural drainage channel reconnections and restoration, in description, maps and sections, including restoration planting plans.		
Initial Response to Comment: Closure and reclamation of the mine facilities includes restoration of drainage to existing natural channels to the maximum extent practicable. The dissipation aprons are erosion protection measures to prevent excessive scour at the transition from permanent drainage features that protect long-term landforms (e.g., the TSF and Quarry) after reclamation to the natural drainage channels. See, for example, Appendix G and the Design Drawings of the TSF Design Report. The Reclamation Plan covers the restoration details.		
Stantec – Comment Addressed as Indicated? Yes; added detail and plans to map in Appendix G.	**Stantec – Preliminary Assessment – Sufficient Response?** Yes	**TRT Response:** Engineering review of adequacy of the remediation efforts.
Preliminary Response to Comment:		
Agency Comment:		
Response to Comment (Feb 2023):		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		

Comment Number: 115

Comment Number: 115	**Category:** 2	**Status:** C
Topic: Reclamation and Financial Security	**CPA Reference:** Appendix J (starts on pdf page 1739)	

Commentor: DEQ

Comment: - The cost for reclaiming (capping) the tailings disposal facility is estimated to be $1.331 million (pdf page 1749). According to section 4.7.1 (main portion of application), capping elements include a liner bedding layer, geomembrane, a drainage layer (12-18 inches), and a growth medium layer (12-24 inches). The Appendix J cost estimate includes $423,174 for regrading and $575,963 for "cover and growth media" consisting of 159,397 cubic yards. This volume over a 99-acre TSF comes out to a 1-foot thick cover layer. The other components, including the geomembrane, are not included.

The EPA guidance document (EPA/530-SW-89-047) recommends that the final cover include a composite that includes a flexible membrane liner and a low-permeability soil cover. The cover proposed in the application includes a geomembrane but not a low-permeability soil layer. As discussed above, this guidance is referred to in OAR 340-043-0150(5).

This underestimate of reclamation costs would result in underfunding of the required financial assurance.

More detail is needed in the post-closure cost estimate in Appendix J, before we can evaluate the cost estimates properly.

Proposed Resolution: Modify the design and cost estimate to include:

- a composite cap, in accordance with EPA guidance ((EPA/530-SW-89-047)

- 30 years of post-closure groundwater monitoring

Provide a comprehensive cost estimate, including all items, with unit costs and quantities for each item.

Initial Response to Comment: See response to comment 110.

Stantec – Comment Addressed as Indicated?	**Stantec – Preliminary Assessment – Sufficient Response?**	**TRT Response:**
Yes	Uncertain. DEQ to determine sufficiency of response and revision, as more informaiton may be required.	See 110

Preliminary Response to Comment:

Agency Comment:

Response to Comment (Feb 2023):

Response to Comment (Mar 2023):

Response to Comment (Apr 2023): The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.

Comment Number: 152

Comment Number: 152	**Category:** 1	**Status:** C
Topic: Reclamation and Financial Security	**CPA Reference:** Reclamation Plan page 221; Section 4, Facility Reclamation	
Commentor: ODFW Comment: There is no evaluation of compliance with OAR 635-420-0110 or OAR 632-037-0070 and -0130 for certification of a self- sustaining ecosystem. These standards need to be complied with and demonstrated prior to release of a financial security. Proposed Resolution: Compliance with Division 420 and Division 37. Revise reclamation plan to address standards to achieve a self- sustaining ecosystem.		
Initial Response to Comment: The detailed post-closure monitoring plan including detailed measures of success to release the bond will be defined prior to reclamation. This is stated in the Reclamation Plan.		
Stantec – Comment Addressed as Indicated? Yes; Reclamation plan revegetation systems are designed to establish a self-sustaining ecosystem.	**Stantec – Preliminary Assessment – Sufficient Response?** Yes	**TRT Response:** Inadequate. The Reclamation Plan does not provide detail on compliance with the ODFW standards for achieving a self-sustaining ecosystem. Reclamation plan does not reference OAR 635-420-0110 Certification of Self-Sustaining Ecosystem.
Preliminary Response to Comment: The Reclamation Plan will be updated to include a reference to OAR 635-420-0110.		
Agency Comment: ODFW comments 152 and 153 request that the reclamation plan specifically reference and address OAR 635-420-0110. A search of the revised reclamation plan pdf shows no results for "OAR 635-420-0110". Further, Calico did not provide responses to these comments in their document "GMM Response to Comment Reclamation Plan_SRCE" included with the revised reclamation plan. Please provide page numbers and sections in which these comments are addressed. OAR 635-420-0060(5) should also be referenced in the revised reclamation plan as this OAR is tied to reclamation as well.		
Response to Comment (Feb 2023):		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): Section 3.2 of Reclamation Plan has been updated to reference OAR 635-420-0110. Refer to comment 422's response regarding Calico providing reclamation measures of success. The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		

Comment Number: 153

Comment Number: 153	**Category:** 1	**Status:** C
Topic: Reclamation and Financial Security	**CPA Reference:** Reclamation Plan page 224; Section 4.3; Page 235; Section 4.9	
Commentor: ODFW Comment: The application does not provide justification or data that reclamation can be achieved in three years. Specifically, regarding the compliance with a self-sustaining ecosystem. Proposed Resolution: Compliance with Division 420 and Division 37. Revise reclamation plan to address standards to achieve a self- sustaining ecosystem.		
Initial Response to Comment: The Reclamation Plan has been significantly updated and revegetation monitoring has been planned for 5 years.		
Stantec – Comment Addressed as Indicated? Yes; Reclamation plan revegetation systems are designed to establish a self-sustaining ecosystem.	**Stantec – Preliminary Assessment – Sufficient Response?** Yes.	**TRT Response:** Inadequate. The Reclamation Plan does not provide detail on compliance with the ODFW standards on achieving a self-sustaining ecosystem. Reclamation Plan does not reference OAR 635-420-0110 Certification of Self-Sustaining Ecosystem
Preliminary Response to Comment: See comment 152		
Agency Comment: ODFW comments 152 and 153 request that the reclamation plan specifically reference and address OAR 635-420-0110. A search of the revised reclamation plan pdf shows no results for "OAR 635-420-0110". Further, Calico did not provide responses to these comments in their document "GMM Response to Comment Reclamation Plan_SRCE" included with the revised reclamation plan. Please provide page numbers and sections in which these comments are addressed. OAR 635-420-0060(5) should also be referenced in the revised reclamation plan as this OAR is tied to reclamation as well.		
Response to Comment (Feb 2023):		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): Please refer to comment 152 and 422 response. The revised Reclamation Plan (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		

Comment Number: 422

Comment Number: 422	**Category:** 1	**Status:** B
Topic: Post-Closure Monitoring	**CPA Reference:** Reclamation Plan, Section 7.2, Pg 24, Bullet # 2	

Commentor: ODFW

The vegetation reclamation component of the monitoring section is vastly incomplete and provides little information to gauge compliance with state fish and wildlife policies. ODFW requests that reclamation success criteria be derived to identify and measure habitat percent vegetation characteristics, species composition, structural components, and address noxious and invasive weeds. Vegetation growth in arid locations of southeast Oregon can take several years to become established and several decades to mature. There is significant risk in reclamation failure. To reduce risk, ODFW requests monitoring occur frequent and iterative after reclamation actions have taken place. ODFW requests that reclamation monitoring criteria be derived and designed for long term implementation with adaptive management measures and process identified. These criteria should consider mitigation contingencies for if reclamation success cannot be achieved. Reaching the above suggested success criteria would release the reclamation burden and achieve the standard of a self-sustaining ecosystem as established in state policy.

Initial Response to Comment: What we proposed meets state requirements, specifically OAR 632-037-0070 and OAR 632-030-0027. Additionally, Section 7 of the Reclamation Plan states, "A detailed post-closure monitoring plan, including monitoring methodology, parameters, and frequencies, will be submitted to the BLM and DOGAMI prior to execution. The details of the monitoring to gauge success will be defined in the plan that will be submitted to DOGAMI for approval prior to execution. We did not want to get into a high level of detail at this time considering the execution of this monitoring will not occurr for 13-15 years from the submittal of this application.

Stantec – Comment Addressed as Indicated?	**Stantec – Preliminary Assessment – Sufficient Response?**	**TRT Response:**
NA	NA	Reclamation must also adhere to OAR 635-420-0055. Details of the monitoring to gauge success must also be submitted as part of the Mitigation Plan per OAR 635-420-030(5). Comments regarding the future execution of reclamation monitoring do not excuse the applicant from addressing the above OARs. This remains a category 1 comment.

Preliminary Response to Comment:

Agency Comment (with corrections): Reclamation must also adhere to OAR 635-420-0060. Details of the monitoring to gauge success must also be submitted as part of the Mitigation Plan per OAR 635-420-060(5). Comments regarding the future execution of reclamation monitoring do not excuse the applicant from addressing the above OARs. This remains a category 1 comment.

Response to Comment (Feb 2023): We cannot find OAR 635-420-0055.

OAR 635-420-030(5) states "Access to a chemical process mine by mine employees and the public shall be controlled to minimize harassment of wildlife and collisions between vehicles and wildlife. On publicly owned lands, these controls shall be developed in conjunction with, and shall be subject to the approval of, the applicable public land management agency."

Comment Number: 422	**Category:** 1	**Status:** B
Perhaps there is a typo here. As it relates to the post-closure monitoring and certification of self-sustaining ecosystems, OAR 635-420-0110 details the requirements and we can define those in the reclamation plan. If ODFW prefers, the reclamation plan can be updated to provide the quantitative measures, based on the baseline report, in the closure plan at this time; however, we prefer not to include methodology at this time considering the monitoring activities will not occur for nearly 20 years. Again, if ODFW prefers we can detail the methodology make the necessary demonstrations post-closure for bond release. Please advise on how to proceed. OAR 632-030-0027 states, "Generally, final revegetation with native species of all disturbed areas consistent with future use is required unless the Department finds it unreasonable. The Department will, in most instances, consider revegetation successful if it provides a similar plant density in terms of ground or canopy cover and it is comparable to undisturbed areas in similar landscape positions. In arid or semi-arid regions, the Department may allow three years of growth prior to a revegetation evaluation. Otherwise, revegetation will be evaluated after one growing season. Vegetation test plots may be required to ensure establishment feasibility and/or long-term habitat goals in the reclamation plan. Vegetation monitoring may also be required to insure success of the approved plan." OAR 632-037-0070 states, "Monitoring systems by which the success of the proposed reclamation and closure can be measured for bond release."		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): In order to address OAR 635-420-0060(5), Calico is committed to developing quantitative measures of reclamation success criteria and submitting to ODFW for review prior to Plan of Operations approval. Appendix D1, *Reclamation Plan*, has been updated to include Appendix C, *Post-Closure Vegetation Success Criteria*.		

Comment Number: 423

Comment Number: 423	**Category:** 1	**Status:** B
Topic: Post-Closure Monitoring	**CPA Reference:** Reclamation Plan, Section 7.2, Pg 24, Bullet # 5	
Commentor: ODFW Noxious weed treatment should not be bound by a set number of years as indicated in bullet # 5. ODFW requests that reclamation success criteria be derived and used to govern how long noxious weed treatment is required. The target for reclamation is a self-sustaining ecosystem comparable to undamaged ecosystems in the immediate area. Noxious weed treatment should occur accordingly to achieve this standard or provide additional mitigation if reclamation success is unattainable.		
Initial Response to Comment: Noxious weed monitoring and potential treatment aligns with the vegetation monitoring schedule and state requirements. We cannot have an open ended post-closure monitoring schedule for the purposes of the plan and the RCE. The target is stated and we propose meeting that criteria within 5 years of revegetation, which is 2 years longer than OAR 632-030-0027.		
Stantec – Comment Addressed as Indicated? NA	**Stantec – Preliminary Assessment – Sufficient Response?** NA	**TRT Response:** Information that addresses how reclamation will adhere to OAR 635-420-0055 is still missing. This is upgraded to a category 1 comment. Necessary information not present for agencies to draft permits that meet statutory requirements.
Preliminary Response to Comment:		
Agency Comment: Information that addresses how reclamation will adhere to OAR 635-420-0055 is still missing. This is upgraded to a category 1 comment. Necessary information not present for agencies to draft permits that meet statutory requirements.		
Response to Comment (Feb 2023): We cannot find OAR 635-420-055. See response to comment #422.		
Response to Comment (Mar 2023):		
Response to Comment (Apr 2023): The revised *Reclamation Plan* (CPA Appendix D1) was uploaded to DOGAMI on April 25, 2023.		