



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

June 25, 2019

Mr. David Felderhof
Zephyr Gold USA Ltd
1959 Upper Water St. Suite 1300
Halifax, Nova Scotia B3J 3N2
Canada

**Re: Dawson Gold Project, Permit No. P-2013-002;
Corrective Action Due Date Extension Approval & Corrective Action Resolved**

Dear Mr. Felderhof,

On June 25, 2019 the Division received an Environmental Alternatives Inc. email requesting a 90-day extension to the due date for the Division's Backfilling & Grading corrective action resulting from our Dawson Gold Project inspection report mailed on May 9, 2019. The Division hereby approves your request for an extension to September 10, 2019. The corrective action and extended due date is summarized below:

INSPECTION TOPIC: Backfilling & Grading

PROBLEM/POSSIBLE VIOLATION: Problem: The financial warranty for trenching (\$90 in 2013) was released with the approval of surety reduction SR-1 in 2013. The original NOI approval required immediate backfill of trenches.

CORRECTIVE ACTIONS: Backfill the exploration trenches by the corrective action due date AND if additional trenches are anticipated, an NOI modification is required to properly adjust the financial warranty.

EXTENDED CORRECTIVE ACTION DUE DATE: 9/10/2019

The emailed document also provide adequate demonstration of the Other corrective action (petroleum product spill) having been addressed. As such, the Division considers the petroleum spill resolved.

If you have any questions, please contact me at (303) 866-3567, ext 8169.

Sincerely,

Timothy A. Cazier, P.E.
Environmental Protection Specialist

ec: DRMS file
Angela Bellantoni, Ph.D.
Stephanie Carter, BLM

