



September 26, 2019

Mr. Dustin Czapla  
Environmental Protection Specialist  
Colorado Division of Reclamation, Mining and Safety  
1313 Sherman Street Room 215  
Denver, Colorado 80203

Re: Homestake Mining Company's Response to Comment Letter Received by DRMS;  
Amendment Application for the Pitch Project, Permit No. M-1977-004

Dear Mr. Czapla:

Your letter dated September 13, 2019 requests Homestake Mining Company's (Homestake) response in this letter. This response is to a letter to the Division of Reclamation, Mining and Safety (DRMS) dated September 11, 2019, sent by the Information Network for Responsible Mining (INFORM), and signed by Ms. Jennifer Thurston. INFORM's letter comments upon Homestake's application to amend its reclamation plan under Homestake's permit for its Pitch Project in Saguache County, Colorado, Permit No. M-1977-004.

Homestake application to amend its reclamation plan was submitted at DRMS's request. At the time of the DRMS requested this amendment, Homestake's reclamation plan for the Pitch Project had been unmodified since 1984. DRMS asked Homestake's to amend its reclamation plan to reflect the current configuration of the Pitch Project mine as well as Homestake's current reclamation plans.

INFORM comments that the permitted area for the Pitch Project should not be expanded by approximately 91 acres. This request by INFORM to deny the expansion of the Pitch Project permitted area should not be granted. As DRMS is aware, mine impacts in the form of tension cracks have been discovered at the Pitch Project mine site that are outside Homestake's permitted area boundary. Homestake requested the permit boundary change to include these impacts within Homestake's permitted area, which would facilitate monitoring and reclamation activities by Homestake.

INFORM is next concerned that Homestake's future approaches to protect water quality will not be subject to public review. To the contrary, Homestake anticipates that its strategies to address water quality at the Pitch Project would be approved in the future by DRMS and by the Water Quality Control Division within the Colorado Department of Public Health and Environment. Homestake anticipates that these water quality approaches will be subject to public notice and an invitation to the public to participate in those processes.

INFORM suggests that timelines in DRMS rules will not be met by Homestake's reclamation plan. This suggestion is incorrect. Homestake's amended environmental protection plan meets all timelines and deadlines in DRMS rules.

In response to INFORM's discussion, Homestake confirms that it meets the requirements of its separate water quality permit that authorizes discharges from the Pitch Project mine.

Homestake notes in addition that many aspects of Homestake's amended reclamation plan submitted to DRMS are designed to reduce the infiltration of surface water into groundwater, which should improve water quality.

INFORM is concerned that water quality aspects of Homestake's amendment application remain as yet undefined, as Homestake identifies and notes in Homestake's application to DRMS. This uncertainty exists because State water quality authorities are as yet unclear about the water quality requirements that are to be imposed upon the Pitch Project in the future. As DRMS is aware, Homestake strives to work very closely with regulatory authorities. When those future water quality requirements are made known to Homestake by the Water Quality Control Commission and the Water Quality Control Division, Homestake's reclamation plan will be adjusted accordingly.

INFORM is concerned about the as-yet undetermined length of time Homestake's water quality management systems will operate in order to reach water quality standards that are as-yet undetermined by the State of Colorado. In its application to DRMS, Homestake assumes water management costs extending 40 years into the future.

Finally, INFORM is concerned about that Homestake's amendment application contains four years of full operation costs for an engineered treatment cell and partial costs for 40 years. These estimated costs are used in Homestake's application to DRMS because temporary modifications to water quality standards for Marshall Creek will be reviewed by the Colorado Water Quality Control Commission in 2022. Thus, the allocation was based on the time periods applicable at the time Homestake submitted its amendment. Homestake recognizes that requirements in its water quality permit may change following that review.

Homestake would be pleased to discuss these matters further with DRMS, if you desire. Please let us know if you would like to arrange for that discussion.

Sincerely,



Dave Wykoff

Closure Supervisor, Pitch Reclamation Project  
Homestake Mining Company of California

CC: C. Burton – HMC