

August 14, 2025

Mr. John McClure and Mr. Nicholas Sarmiento  
Costilla County Conservancy and Costilla County Board of County Commissioners  
324 Main Street, San Luis, Colorado, 81152  
352 Main Street, San Luis, Colorado, 81152

Dear Mr. McClure and Mr. Sarmiento,

On August 13<sup>th</sup>, representatives from Newmont/Battle Mountain Resources Inc. (BMRI), the Colorado Division of Mining, Reclamation and Safety (DRMS), and representatives for Costilla County Conservancy District and Costilla County Board of County Commissioners (Objectors) met to address issues raised by Objectors on the proposed Slurry Wall Amendment (AM-4). In their memorandum titled *Technical Memo on the Battle Mountain Resources, Inc, San Luis Project's 2025 Permit Amendment Application* (August 12, 2025), the Objectors' engineering consultant, Hydrokinetics Inc., provided comments on the proposed AM-4, which would authorize installation of a slurry wall to mitigate groundwater flows into the West Pit. At that meeting, the parties confirmed important commitments made by BMRI as part of the proposed AM-4, which address the issues raised in Hydrokinetics' memorandum. This letter outlines those commitments that resolve the substantive issues raised in the Hydrokinetics consulting evaluation.

#### 1. Continued Pumping Operations

##### **Issue - Will BMRI stop pumping from the West Pit?**

Response/Commitment – BMRI will not stop pumping groundwater from the West Pit as part of AM-4. BMRI has committed to continue pumping operations to maintain the previously agreed to, and regulated, pit water elevation. While BMRI expects to pump at lower rates due to reduced water inflow after the slurry wall installation (estimated reduction from 200 gallons per minute to 20-50 gallons per minute), BMRI will pump at the rate necessary to maintain the mandated water level within the backfilled pit until such time as backfill-impacted waters are no longer an issue. This commitment addresses a number of comments raised in the Hydrokinetics' memo regarding potential migration gradient reversals or movement of impacted groundwater from the West Pit to off-site areas.

#### 2. Ongoing Water Quality and Elevation Monitoring

##### **Issue - Will BMRI continue monitoring water quality and elevations and continue the well monitoring program beyond two years?**

Response/Commitment – Yes BMRI will continue to monitor water quality and groundwater elevations in accordance with the current DRMS Permit, Technical Revisions, and CDPHE Permit beyond two years and for at least five years as suggested in the Hydrokinetics memo. BMRI is committed to long-term monitoring to continue evaluating groundwater interaction with backfilled materials and to track the performance and efficacy of the slurry wall. BMRI will continue to satisfy current permit requirements pertaining to the backfilled pit water management and monitoring for water levels, pumping rates, and water quality.

As noted during the meeting, several of the monitoring wells have already been installed with transducers to assist in monitoring the AM-4 slurry wall during and after construction. In addition, any wells

compromised during the construction of the slurry wall will be replaced with new monitoring wells. At several of the monitoring well locations where water quality data is collected, both manganese and fluoride are included in the parameters that are analyzed.

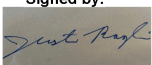
### 3. Slurry Wall Construction QA/QC

#### **Issue - Is there a quality assurance/quality control (QA/QC) program associated with the slurry wall construction?**

Response/Commitment – Yes there is a QA/QC program. Extensive engineering design and verification testing have been conducted to inform the design, including hydraulic conductivity tests associated with the materials to be used from site and the imported bentonite. Verification QA/QC will be conducted by both the slurry wall construction firm (DeWind) and by on-site oversight engineers (Engineering Analytics). Several other components are incorporated into the proposed project that provide additional environmental protections, including a construction specific stormwater management plan, site spill prevention plan, secondary containment of slurry wall construction materials, compliance with site construction best management practices (BMPs), stormwater/sediment migration controls, and emergency response planning associated with site construction. These measures address the potential for release of bentonite material during construction.

During the August 13, 2025, meeting, BMRI agreed to provide written confirmation of these commitments in this letter to Costilla County Conservancy District and Costilla County, ensuring that the understandings reached at the meeting are documented for future reference. These commitments represent a collaborative approach to protecting our water resources while allowing essential remediation work to proceed. The slurry wall project aims to reduce the volume of water requiring treatment while maintaining all current environmental protections. Most importantly, the slurry wall will help restore the natural flow of water in the Rito Seco, by allowing more water to remain in the stream rather than being diverted into the West Pit, returning the system closer to its pre-mining condition.

Sincerely,

Signed by:  
  
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Justin Raglin  
*Director, Legacy US*

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