

**KINROSS GOLD U.S.A.  
GOLDEN WONDER EXPLORATION PROJECT  
HINSDALE COUNTY, COLORADO**

**PLAN OF OPERATIONS  
FOR  
EXPLORATION DRILLING**

**#COC - 77853**

July 19, 2016

**Submitted by:**

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**Submitted to:**

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# Plan of Operations – Golden Wonder Exploration Project

## INTRODUCTION

### 1. Operator Information – 43 CRF 3809.401 (b) (1)

#### 1.1. Operator Information

Point of Contact Name: Martin D. Litt, General Counsel North America  
Operator Name: Kinross Gold U.S.A. Inc.  
Business Address: 5075 Syracuse St, 8<sup>th</sup> Floor  
Denver, CO 80237  
Telephone Number: (303) 802-1451

The Kinross taxpayer ID number: 87-0364965

The Kinross Colorado Business Identifier Number: 20031089749

#### 1.2. Authorized Project Manager

Name: Jeff Cary, Consulting Geologist  
Business Name: Animas Exploration Services LLC  
Business Address: 2416 Needham Ct  
Durango, CO 81301  
Telephone Number: (970) 749-5845  
Email: jcary3@hotmail.com

#### 1.3. Claimant/Claim Information

Kinross Gold U.S.A. Inc. (Kinross) leases and owns unpatented mining claims on public lands administered by the BLM.

Kinross is incorporated in the State of Colorado, and the Colorado ID number is 20031089749.

Contact information for Kinross is as follows:

Point of Contact: Martin Litt – General Counsel  
Business Name: Kinross Gold U.S.A. Inc.  
Business Address: 5075 Syracuse St, 8<sup>th</sup> Floor  
Denver, CO 80237  
Telephone Number: (303) 802-1451

The list of claim names and BLM serial numbers associated with this Plan are included in Appendix A.

## 2. Project Description – 43 CFR 3809.401 (b) (2)

### 2.1. Legal Description and Surface Ownership

[43 CFR 3809.401 (b) (2) (i)]; The proposed project is located in Sections 2, 3, 4, 10 and 11, Township 43 North, Range 4 West, and Sections 34, 35, Township 44N, Range 4 W, New Mexico Principal Meridian, Hinsdale County, Colorado. The proposed project is located on public lands administered by the BLM. The project location and surface land status are shown in Figures 1 and 2, respectively.

### 2.2. Existing Disturbance

[43 CFR 3809.401 (b) (2) (i)]; Pre-existing disturbance, as currently known, is shown in Figure 2. Pre-existing disturbance includes historic roads, trenching and prospecting in the Golden Wonder mine area and existing two-track access roads in the project area. Kinross has no previous tenure on the property.

### 2.3. Project Description

[43 CFR 3809.401 (b) (2) (i)]; The Plan is for mineral exploration drilling. A total of 4 drill sites are proposed. Access to the 4 proposed drill sites will be as shown on Figure 2 on existing roadways. No new access roads are proposed. Figure 3 presents the location of the proposed disturbance, and Table 1 presents the proposed disturbance for the project. A maximum of 12 drill holes are proposed from the 4 proposed drill sites.

Table 1: Proposed Disturbance

Project Component	Proposed (Number/ Feet)	Proposed Activity (acres)	Total Proposed Disturbance (acres)
Drill Sites <sup>1</sup>	4	0.23	0.23
Access Roads <sup>2</sup>	0	0	0
<b>TOTAL</b>	<b>4/0</b>	<b>0.23</b>	<b>0.23</b>

<sup>1</sup> Working areas for drill sites are planned to be 50 feet wide by 50 feet long and will use existing roads alignments where practicable.

<sup>2</sup> No new access roads are proposed.

### 2.4. Proposed Operations/Activities

[43 CFR 3809.401 (b)]; Mineral exploration activities, including exploration drilling and sampling, constructed drill sites, and reclamation of surface disturbance, are proposed for the project. The following sections describe general operating procedures, construction techniques, and equipment that are anticipated for the project. Multiple drill holes may be completed from each of the 4 drill pads using a wireline, truck-mounted or track mounted core rig. Drill holes may be both vertical and angled, with average drill depths of approximately 1000 feet.

Water for drilling operations will be obtained the local municipality. Water for drilling will be purchased from the Town of Lake City and transported via water truck to the 3 Level portal at the Golden Wonder mine.

#### **2.4.1. Equipment**

[**43 CRF 3809.401 (b) (2) (i)**]; Exploration and drilling personnel will access the site in four-wheel drive vehicles. A CAT D5-6 size dozer, a CAT 225 size excavator, and/or similar equipment will be used to construct the drill sites. One core drill rig will be utilized along with support vehicles, such as a pipe truck or trailer, water truck, mud tanks, water hose and stage pumps and portable light plants/generators.

#### **2.4.2. Access Roads**

[**43 CRF 3809.401 (b) (2) (i)**]; The project will utilize existing roads to access the proposed drill sites. No new road construction is proposed. The North Road (Figs. 2 and 3) will be the main access into the drill sites area and the C1 drill site. The Ridge Road (Figs. 2 and 3) will be used to access the A1, A2 and B1 drill sites, and the Ridge Road will serve as secondary access to the work area.

Existing roads will be cleared of vegetation sufficient for single lane travel with typical running widths of about 12-15 feet. Portions of the existing roads may require maintenance such as grading, widening and water bars to provide safe passage and erosion control.

Water diversion and drainage structures will be constructed where necessary on existing access roads to prevent or to minimize erosion. Water diversion structures may include breaks in grade, rolling dips, water bars, culverts, or other construction features as needed. Diverted water will be directed away from waterways.

#### **2.4.3. Drill Sites and Drilling Procedures**

[**43 CRF 3809.401 (b) (2) (i)**]; Drill sites will be located on existing roads and are planned to be about 0.05 acres each with a working area of approximately 50 feet by 50 feet. A dozer, backhoe, or similar equipment will be used to level the site to the extent necessary for a safe, level working surface. Sumps will be excavated within the limit of the drill site using a backhoe (or similar equipment) to collect drill cuttings and manage drilling fluids. Anticipated sump dimensions will be about 8 feet by 8 feet by 4 feet deep, sufficient to hold up to 2,000 gallons of drilling fluids used in the drilling process. The drill holes are not expected to produce significant water based on the elevated, ridgeline location of the drill collars. One end of each sump will be sloped to provide a means of egress for animals. Spoil piles will be located at the edge of the sump to facilitate backfilling during reclamation.

Drill holes may be both vertical and angled, with average drill depths of approximately 1000 feet. Water and non-toxic drilling fluids will be utilized as needed during drilling. The management of drill cuttings will be conducted in a manner consistent with BMPs and may include sediment traps or sumps, straw bales, and silt fences [**43 CRF 3809.401 (b) (2) (ii)**]. If needed, the use of a solids separation system may be utilized in conjunction with sediment sumps to maximize recirculation of drilling fluids.

Topsoil, where present, will be removed separately and stockpiled adjacent to the drill sites and organic material removed from the drill site area will be stockpiled down slope of the work area to help minimize erosion [43 CFR 3809.401 (b) (3) (vi)]. Water bars will be placed appropriately to minimize erosion on pre-existing roads accessing the drill sites. All waste material will be removed from BLM lands and disposed of in an approved, disposal facility. All fluids and drilling additives will be contained and all work sites and vehicles will have approved spill containment kits [43 CFR 3809.401 (2) (vi)]. The work areas will be inspected after heavy rainfall to evaluate drainage and erosion levels with problem areas identified and mitigated.

## 2.5. General Project Schedule

[43 CFR 3809.401 (b) (2) (vii)]; The proposed project will begin on or after September 15<sup>th</sup>, 2016 and could continue through December of 2016 as weather conditions allow. The timeline may be adjusted for operational, permitting, and weather conditions as needed.

A single, track-mounted drill rig will operate 24 hours per day using 2 twelve hours shifts. The drill rig will work continuously from the start of the project until the project is completed. A single, 1,000' drill hole will be completed on average every six days and the estimated duration of the project is 36 (6 drill holes) to 72 (12 drill holes) days. The rig will drill a 2.5" hole and will extract a solid rock core from the borehole using wireline drilling techniques.

Once the drilling is completed or suspended due to operational or weather conditions the project will operate under the interim management plan Section 3.2.1. [43 CFR 3809.401 (b) (5)].

## 2.6. Environmental Protection Measures

### 2.6.1. Survey Monuments

[43 CFR 3809.420 (b) (ix)]; Survey monuments, witness corners, or reference monuments will be protected to the extent feasible.

### 2.6.2. Cultural Resources

[43 CFR 3809.420 (b) (viii)]; While conducting the exploration program, Kinross will not knowingly disturb, alter, injure, or destroy any scientifically important paleontological remains or any historical or archaeological site, structure, building or object on federal lands (§ 3809.420 (b) (8)).

Kinross will notify the BLM authorized officer should any cultural or paleontological resources discovered on federal lands that might be altered or destroyed by operations, and shall leave such discovery intact until allowed to proceed by the BLM authorized officer.

If human remains/burials or any previously unidentified cultural (archaeological or historical) resources are discovered during activities conducted under the Plan, Kinross will immediately cease activities within 100 feet of the discovery, ensure that the discovery is appropriately protected, and immediately notify the BLM authorized officer by telephone, followed with written confirmation. Work will not resume, and the discovery will be protected until notified by the BLM authorized officer that work may resume.

### **2.6.3. Surface and Ground Water**

#### **Erosion Prevention and Stormwater Control**

[43 CRF 3809.401 (b) (2) (iii)]; Exploration operations will be managed to ensure that controls and prevention measures are in place to minimize soil erosion. Equipment will not be operated when ground conditions are such that excessive resource damage or increased sediment transport will occur.

BMPs for sediment control shall be employed during construction, operation, and reclamation to minimize sediment transport from disturbed areas. Sediment control structures may include, but are not limited to, fabric and/or certified weed free straw bale filter fences, siltation or filter berms, mud sumps, and down gradient drainage channels. Sediment traps (sumps) will be used to manage drill cuttings and prevent release of sediment. Certified weed-free straw bales and silt fences may be placed in drainages to capture sediment.

Drainage structures will be constructed or installed where necessary to prevent or minimize erosion and sedimentation. Drainage structures may include, but are not limited to, waterbars, borrow ditches, contour furrows, and culverts.

Drill site cut banks will be constructed with the appropriate slope to minimize erosion and visual effects. Disturbed areas will be broadcast-seeded with an approved seed mix to minimize erosion after construction.

#### **Drilling Effluent Management**

[43 CRF 3809.401 (b) (3) (i)]; Drilling fluid products used during drilling and abandonment operations will meet Colorado Revised Statutes material specifications as defined in the **Colorado Mined Lands Reclamation Act (CMLRA) Title 34, Article 32, Section 113**. Drilling fluids will be contained and deposited in sumps to ensure environmental protection. If water is decanted from the sumps, drilling fluids and solids will be allowed to settle prior to decanting.

Sumps for drill water, fluids, and cuttings will be excavated within the limit of the drill site using a backhoe or similar equipment. Anticipated sump dimensions will be about 8 feet by 8 feet by 4 feet deep, sufficient to hold up to 2,000 gallons of fluids. One end of each sump will be sloped to provide egress for animals. No significant water is expected to be produced from the drill holes due to the elevated, ridgeline locations of the drill collars.

Sumps will be backfilled after completion of drilling. If mud tanks are cleaned at the site, the contents will be contained in the sump and covered with backfilled soil materials.

No drill site will be located closer than 100 feet from a lake shore or a flowing stream. No drill effluent will be released directly into any lake or active stream course.

#### **Drill Hole Abandonment**

[43 CRF 3809.401 (b) (3) (i)]; Drill holes will be plugged in accordance with Colorado State and administering agency standards. Material specifications will be consistent with the definitions in **CRS 34-32-113** for grouting material.

Drill holes will be abandoned as completed such that only one drill hole is open at any time. Upon completion of drilling operations, a bentonite and fresh water slurry or neat cement grout that is specifically formulated for well or drill hole abandonment will be placed through the drill pipe and circulated from the bottom of the drill hole in a manner that assures against the vertical movement of groundwater found in the drill hole. This will include the annular space surrounding casing left down the hole.

If circulation from the bottom is not possible, abandonment slurry or grout will be mixed at the surface, circulated through the drill pipe from the bottom of the drill hole under pressure and placed in stages as the drill pipe is retrieved from the drill hole. A ten-foot cement surface plug will be placed within the top twenty feet of each drill hole.

Portland cement mixed with clean water and aggregates, or bagged cement mixed with clean water, will be used for the surface plug. Remaining surface casing will be removed below the ground surface in a manner that will not interfere with reclamation requirements. If the surface casing cannot be removed, the casing will be cut at least two feet below ground surface. The annulus will be sealed in a manner that assures against the movement of surface water down the drill hole.

The top of the surface plug will be two feet below the ground surface to eliminate physical hazards to humans and animals as well as to prevent ponding of water directly over the drill hole, allow for placement of growth media, and allow for passage of vehicles and equipment.

#### **2.6.4. Solid Waste and Hazardous Substances**

[43 *CRF* 3809.420 (b) (vi)]; Non-hazardous exploration project-related refuse will be collected in trash bins and/or containers and removed from the site for proper disposal at an authorized site on a regular basis. No refuse will be disposed of on site.

Materials used at the site may include diesel fuel, gasoline, hydraulic fluid, and lubricating grease. Approximately 100 gallons of diesel fuel and gasoline will be stored in fuel delivery systems on drill rigs and support vehicles. Approximately 50 pounds of lubricating grease and 35 gallons of hydraulic fluid will be stored on each drill rig or transported by drill trucks. Transportation of these materials will be conducted in accordance with applicable regulatory guidelines.

#### **2.6.5. Air Quality**

[43 *CRF* 3809.420 (b) (iv)]; Vehicles associated with the exploration program will maintain a safe and appropriate speed limit for existing road conditions which will minimize fugitive dust emissions, protect wildlife, and maintain operational safety. Existing roads will be watered as necessary to control fugitive dust.

Gasoline combustion engine 4x4 trucks will be used daily to move crews, drill supplies and core to and from the drill sites. Intermittent daily use will include 2 to 3 4x4 vehicles. A single, small water pump would run continuously supplying water to the drill sites. Daily fuel consumption ~10 gallons.

The drill rig is powered by a diesel motor with two, continuous, 11 hour work shifts. An hour at each shift change is used for maintenance and fueling. Daily fuel consumption ~40 gallons.

#### **2.6.6. Fire Protection**

[43 CRF 3809.420 (b) (x)]; Kinross will comply with applicable fire regulations. No open fires will be allowed at the site during the Exploration Project.

Smoking will only be permitted in areas that are free of flammable materials and as allowed by state law or federal regulations. Smoking materials will be extinguished by pressing said materials into mineral soils. When completely extinguished, debris associated with smoking will then be put into containers designed solely for this purpose and properly disposed of.

Vehicles and equipment associated with the project will meet proper wildfire preparedness requirements including, but not limited to, being equipped with approved spark arrestors, fire extinguishers, fire suppression tools, and other appropriate supplies. Power equipment will be equipped with axes, fire extinguishers, buckets, and shovels during the exploration program.

An effective communications network consisting of cell phones and radios will be in place. Vehicles and equipment shall be equipped with an emergency communication list that will include numbers for the administering agency emergency contact at the Gunnison BLM Field office.

#### **2.6.7. Noxious Weeds**

[43 CRF 3809.401 (b) (3) (vii)]; Preventative measures and BMPs to control noxious weeds will be utilized as needed. All drilling and ancillary equipment will be power washed to remove embedded noxious seed material from the machinery before accessing the project area. Post operation reclamation equipment will also be power washed to remove embedded noxious seed material from the machinery before accessing the project area. Adequate photographic documentation showing that all machinery is free of potential noxious seed material will be collected and made available to the permitting agency as requested.

Noxious weeds will be controlled through the use of certified weed-free seed, straw bales and other ground cover materials. All reclamation seed mixtures will be approved by the BLM Gunnison Field office. Reclamation re-seeding will be by hand broadcasting methods. Eradication measures, such as mechanical or chemical methods, will be employed if noxious weeds are found on the active or reclaimed drill sites.

All reclaimed areas will be inspected annually throughout the growing season to identify problem areas and implement eradication measures until the reclamation is approved and released by the BLM Gunnison Field Office.

#### **2.6.8. Employee Training**

Kinross will train employees, contractors, and other related personnel as to the environmental and cultural resources responsibilities required under this Plan as well as state and federal law.

## **2.7. Mining Areas, Processing Facilities, Waste Rock & Tailing Disposal Facilities**

[43 *CRF 3809.401 (b) (2) (ii)*]; The proposed project is for exploration drilling only and there are no proposed mining areas, processing facilities or waste rock and tailings disposal facilities.

## **2.8. Water Management Plan**

[43 *CRF 3809.401 (b) (2) (iii)*]; The proposed work is distant from active stream courses and riparian wetland areas. The drilling fluid management is addressed in Section 2.6.3. No undue degradation of surface waters from drilling fluid discharge is anticipated due to distance from active surface waters. No groundwater mixing or contamination is anticipated when using required drill hole abandonment materials and techniques (Section 2.6.3).

## **2.9. Rock Characterization and Handling Plans**

[43 *CRF 3809.401 (b) (2) (iv)*]; The proposed plan of operation is for exploration drilling. No rock materials will be mined, processed or stored on BLM lands.

## **2.10. Quality Assurance Plans**

[43 *CRF 3809.401 (b) (2) (v)*]; Kinross is committed to sound environmental management. It is the intent of Kinross to conduct itself in partnership with the environment and community at large as a responsible and caring corporate citizen. Kinross is committed to managing all phases of its business in a manner that reasonably minimizes any adverse effects of its operations on the environment. Kinross is committed to complying with all applicable environmental laws and regulations in regions where we operate. Kinross Representatives must immediately report any non-compliance or suspected non-compliance with any applicable environmental laws or regulations in accordance with the procedures found in Section VIII – “Using this Code and Reporting Violations”.

Kinross is committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. Kinross Representatives must be aware of the safety issues and policies that affect their job, other Kinross Representatives and the community in general. Managers, upon learning of any circumstance affecting the health and safety of the workplace or the community, must act immediately to address the situation. Kinross Representatives must immediately advise an appropriate manager and/or applicable Health & Safety representative of any workplace injury or any circumstance presenting a dangerous situation to them, other co-workers or the community in general, so that timely corrective action can be taken.

## **2.11. Spill Contingency Plan**

[43 *CRF 3809.401 (b) (2) (vi)*]; All necessary materials are in place at the drill rig for spill prevention at the drill site. Plastic liners and absorbent padding are placed under any piece of equipment that has the ability to spill (i.e. motors, hydraulic lines, fueling areas). Liners are bermed on the downhill side to ensure containment in case of a spill. All motors and hydraulic

lines are inspected daily to ensure proper function and wear. Absorbent padding, buckets and shovels are available on the active drill site.

All spillable material is placed into secondary containment that can hold 110% of the largest volume container with the containment. Tarps are placed over the secondary containment to avoid creating contaminated water during precipitation events.

Sumps are preferably placed on the uphill side of the drill pads, otherwise a berm is placed around the downhill edge of a sump. Sumps are lined with bentonite to avoid seepage of the drill water from the sump.

## **2.12. Plan for All Access Roads, Water Supply Pipelines and Power Lines**

**[43 CRF 3809.401 (b) (2) (viii)];** No new access roads are proposed under this Plan. All existing access roads will be maintained to minimize erosion with water diversion structures and will not be unduly degraded during periods of high precipitation and saturated roadbed conditions. Access through private fee lands to the drill sites is granted under an easement provision with the Vickers Ranch held by LKA Gold.

Water for drilling will be purchased from the Town of Lake City and transported via water truck to the 3 Level portal. From the 3 Level portal, water will be pumped via rubber water line to drill sites located higher on the ridge. Work at the 3 Level portal is conducted under an existing permit held by LKA Gold with the State of Colorado DRMS (#M-1978-091-UG) and is located on private lands.

No temporary power lines will be used or constructed under this Plan.

### **3. Reclamation Plan - 43 CFR 3809.401 (b) (3)**

Reclamation of disturbed areas resulting from activities outlined in this Plan will be completed in accordance with Federal [**36 CFR§228.8 (g)** and **43 CFR 3809**] and State of Colorado Revised Statutes (**Title 34, Article 32**) and **2 CCR 407-1** regulations and requirements. Section 4 and 4.1 contain a description of the proposed reclamation activities and the projected cost.

#### **3.1 Drill Hole Abandonment**

[**43 CFR 3809.401 (b) (3) (i)**]; Drill holes will be plugged in accordance with Colorado State and administering agency standards. Material specifications will be consistent with the definitions in **CRS 34-32-113** for grouting material. Drill holes will be abandoned as completed such that only one drill hole is open at any time.

Upon completion of drilling operations, a bentonite and fresh water slurry or neat cement grout that is specifically formulated for well or drill hole abandonment will be placed through the drill pipe and circulated from the bottom of the drill hole in a manner that assures against the vertical movement of groundwater found in the drill hole. This will include the annular space surrounding casing left down the hole.

If circulation from the bottom is not possible, abandonment slurry or grout will be mixed at the surface, circulated through the drill pipe from the bottom of the drill hole under pressure and placed in stages as the drill pipe is retrieved from the drill hole. A ten-foot cement surface plug will be placed within the top twenty feet of each drill hole.

Portland cement mixed with clean water and aggregates, or bagged cement mixed with clean water, will be used for the surface plug. Remaining surface casing will be removed below the ground surface in a manner that will not interfere with reclamation requirements. If the surface casing cannot be removed, the casing will be cut at least two feet below ground surface. The annulus will be sealed in a manner that assures against the movement of surface water down the drill hole.

The top of the surface plug will be two feet below the ground surface to eliminate physical hazards to humans and animals as well as to prevent ponding of water directly over the drill hole, allow for placement of growth media, and allow for passage of vehicles and equipment.

#### **3.2 Recontouring, Revegetation and Topsoil Handling**

[**43 CFR 3809.401 (b) (3) (ii), (vi), (vii)**]; Grading and contouring of constructed drill sites will be completed to approximate the surrounding topography. Sumps will be backfilled and the surface area re-contoured. Topsoil or suitable growth media will comprise the final surface of the sites and will generally remain in a textured or rough condition (e.g. small humps) to facilitate moisture retention and seed germination. Reclaimed areas will be hand broadcast seeded with the approved seed mix provided in Table 2 (**seed mix approved by BLM Gunnison field office, Dave Lazorchak Minerals Specialist**); changes and/or adjustments to the seed mix and/or application rate may be made upon approval. The individual species and application rates have been selected to promote optimum seed germination and plant growth. Seeding will be completed at the appropriate time of year, typically late fall or early spring. Final re-vegetation will be consistent with the post-exploration land uses of grazing, wildlife habitat, and

recreation.

**Table 2: Approved Reclamation Seed Mix**

<b>Species Scientific Name</b>	<b>Common Name</b>	<b>Seeding Rate (lb PLS/acre)</b>
<i>Pascopyrum smithii</i> ‘Arriba’	Western wheatgrass	3.00
<i>Elymus trachycaulus</i> ssp <i>trachycaulus</i> ‘San Luis’	Slender wheatgrass	4.00
<i>Poa alpina</i>	Alpine bluegrass	0.50
<i>Bromus marginatus</i> ‘Garnet’	Mountain brome	2.50
<i>Festuca ovina</i>	Sheep fescue	1.00
<i>Phleum alpinum</i>	Alpine timothy	0.50
<i>Deschampsia cespitosa</i>	Tufted hairgrass	0.25
<i>Penstemon strictus</i>	Rocky Mountain penstemon	0.25
<i>Achillea millefolium</i>	Western yarrow	0.1
<i>Lupinus alpestris</i> ( <i>Lupinus argenteus</i> )	Mountain lupine	2.00
Total Seed in PLS/Acre		14.10

### **3.2.1 Measures Used to Minimize Loading of Sediment**

Reclamation operations will be implemented when Kinross determines that a drill site is no longer needed. Re-graded slope angle, re-vegetation (including growth media placement), and BMPs will be used to limit erosion and reduce sediment in runoff. Silt fences, sediment traps, or other BMPs will be used to prevent migration of eroded material until reclaimed slopes and exposed surfaces have demonstrated erosional stability.

### **3.2.2 Schedule for the Project and Reclamation**

Reclamation activities will be conducted when it has been determined that exploration disturbance is no longer needed. Reclamation at the earliest practicable time within exploration areas considered inactive and without potential. If a resource is not identified or is not considered economically feasible to develop, final reclamation will be completed within two years of a temporary shutdown, non-use, or abandonment. Until final reclamation is completed all sites will be managed under the interim reclamation measures outlined in Section 3.2.1..

Earthwork and re-vegetation activities may be limited by the time of year during which such activities can be effectively implemented. Site conditions or yearly climatic variations may require that the schedule be modified to achieve revegetation success. Reclamation activities will be coordinated with the administering agency as necessary. Successful revegetation of the drill sites is considered as positive wildlife habitat rehabilitation [43CRF 3809.401 (b) (3) (v)].

### **3.2.3. Drill Hole Plugging Procedures**

[**43 CRF 3809.401 (b) (3) (i)**]; Drill holes will be drilled using wireline coring methods and will average 1,000 feet deep. Exploration drill holes will be plugged in accordance with appropriate agency and State of Colorado guidelines as described in **CRS 34.32.113**. One drill hole may be open at a given time. A drill rig with appropriate support equipment will be used to plug the drill holes before the drill rig leaves the drill site. Successful drill hole plugging will mitigate any undue degradation of groundwater in the area and will not allow for the mixing of surface and subsurface waters [**43 CRF 3809.401 (b) (2) (iii)**].

### **3.2.4. Monitoring**

[**43 CRF 3809.401 (b) (4)**]; Post-closure management will commence on reclaimed areas following completion of the reclamation work for the area. Monitoring of revegetation success will be conducted annually for three years or until revegetation standards have been met. Revegetation monitoring will occur based on seasonal growth patterns, precipitation, and weather conditions. The drill sites would be considered stabilized when 70% of the pre-disturbance vegetative cover is re-established.

No undue degradation of surface or groundwater waters, air quality or wildlife mortality is anticipated during the post-closure monitoring of the proposed areas. The work areas are located along ridgelines a significant distance of any surface stream channels or riparian, wetland areas.

### **3.2.5. Measures to be Taken During Extended Periods of Non-Operation**

Only those drill sites needed for future exploration will remain open. Interim stabilization measures, as described in Section 3.2.1, will be taken as necessary at these sites to prevent undue erosion and to abate any noxious weed growth [**43 CRF 3809.401 (b) (5) (i)**].

No toxic or deleterious materials will be stored on BLM lands during periods of extend non-operations [**43 CRF 3809.401 (b) (5) (ii)**].

No equipment, supplies or structures will be stored on BLM lands during periods of extend non-operations [**43 CRF 3809.401 (b) (5) (iii)**].

The BLM lands in the project area will be maintained in a safe and clean condition during periods of extended non-operations [**43 CRF 3809.401 (b) (5) (iv)**]. The project area has limited access, but lands are used by recreationists throughout the year for hiking, fishing, big and small game hunting, horseback riding, and 4x4 and ORV activities which the permittee has no control over.

During periods of extended non-operations the project will be surveyed on an annual basis during revegetation and weed monitoring/abatement monitoring. All work areas will be inspected for undue erosion and mitigation of any identified areas of concern will be initiated [**43 CRF 3809.401 (b) (5) (v)**].

Anticipated periods on non-operations and no access to the work areas would be from January 1<sup>st</sup> through April 15<sup>th</sup> of every year due to winter weather conditions and snow accumulations [**43 CRF 3809.401 (b) (5) (vi)**].

### **3. Reclamation Costs - 43 CRF 3809.401 (d) (1)**

This reclamation cost estimate is based upon the State of Colorado *Notice of Intent to Conduct Prospecting Operations for Hard Rock/Metal Mines, Section VII-Financial Warranty* for activities being conducted in a single area. The cost estimate aligns with activities described in *Section 3: Reclamation Plan* and is generally consistent with requirements of the Bureau of Land Management Policy for 43 CFR 3809 for Notice and Plan Level Operations. The reclamation activities include earthwork, revegetation, equipment mobilization/demobilization, and agency administrative/management.

#### **3.1. Summary**

The reclamation bond for the project will be calculated by the State of Colorado Division of Mining, Reclamation and Safety. The reclamation bonding requirements will be forwarded to the BLM Gunnison Field Office by the Colorado DMRS when it has been completed. A summary of the reclamation cost for the proposed disturbance is summarized in Appendix B with breakdowns for labor costs and equipment costs. The reclamation cost estimate for the proposed work is \$14,768.13.

The applicant, Kinross Gold USA, hereby agrees to assume responsibility for the completion of the reclamation work described within this document on surface areas affected by the operation of the Exploration Project.

Signature:

Jiff Alamy

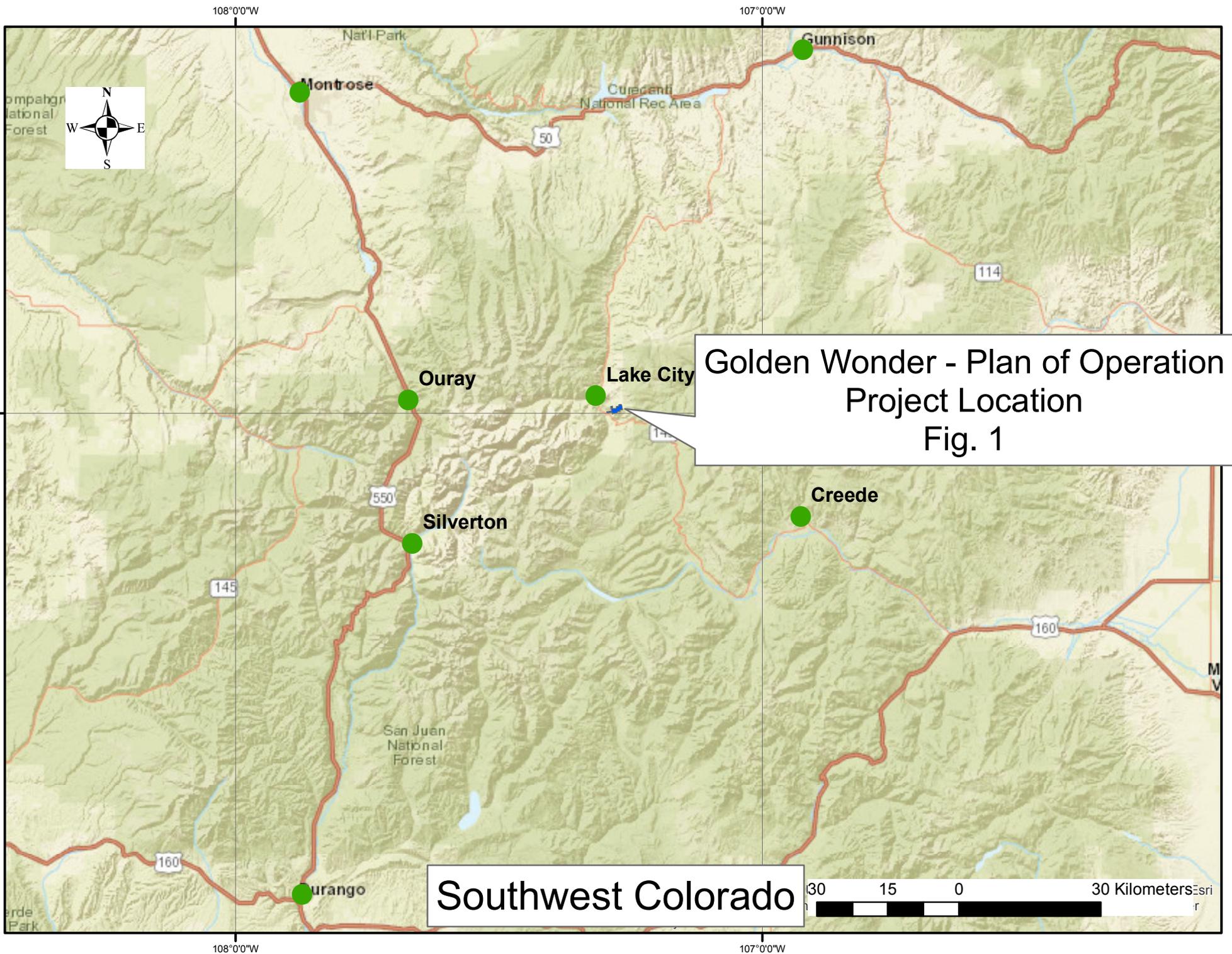
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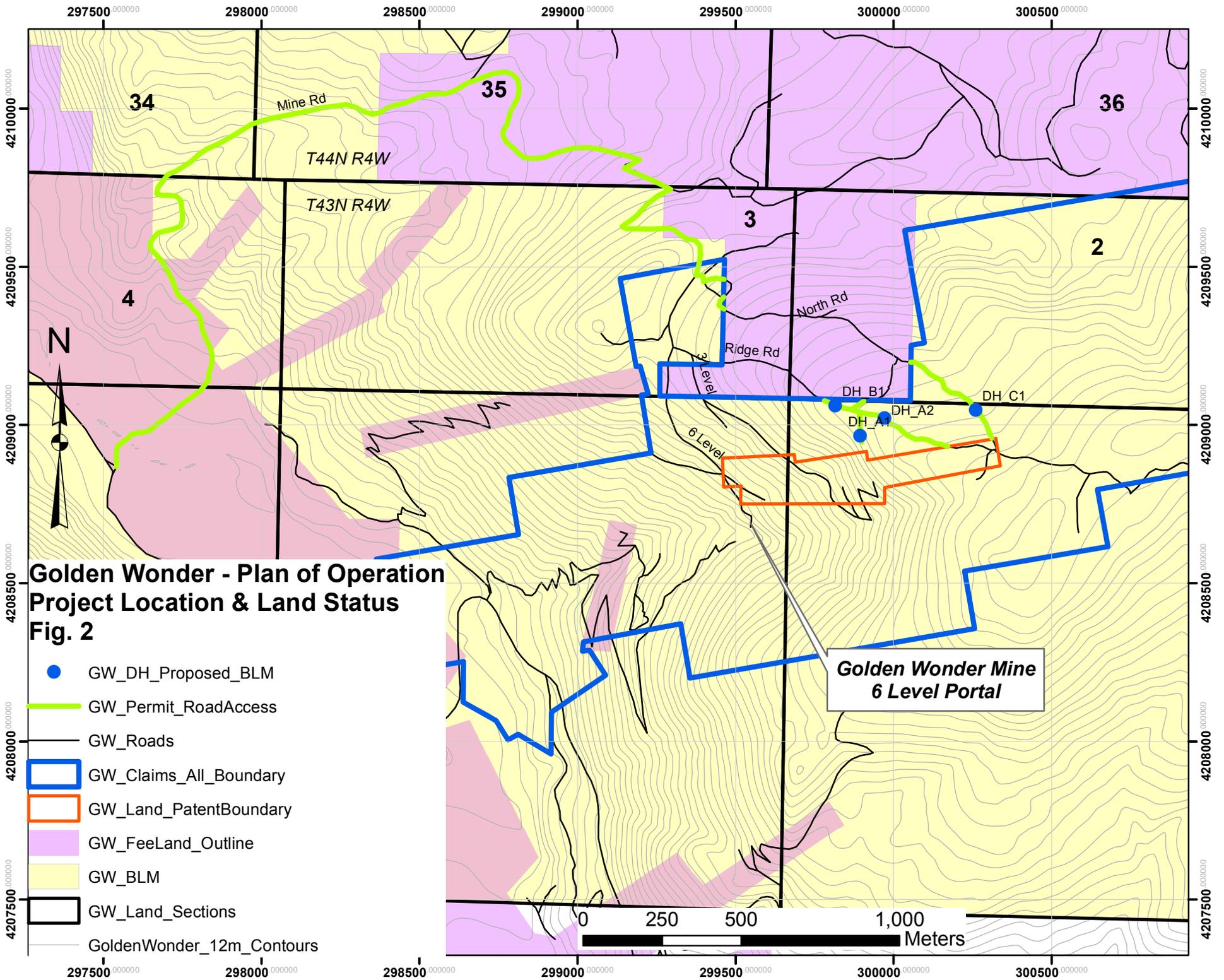
7/19/2016

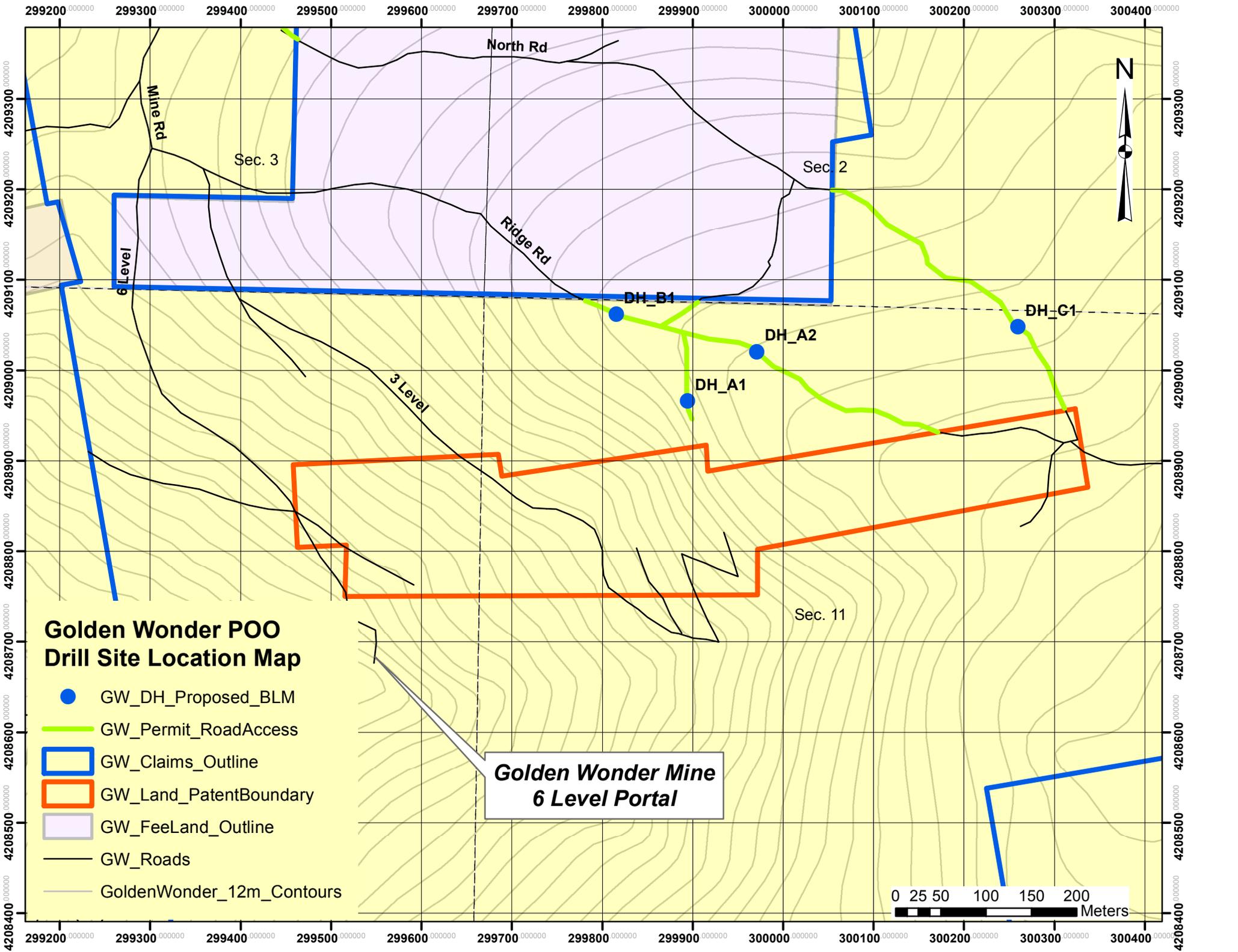
Title:

Project Manager

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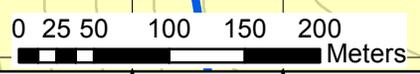




**Golden Wonder POO  
Drill Site Location Map**

- GW\_DH\_Proposed\_BLM
- GW\_Permit\_RoadAccess
- GW\_Claims\_Outline
- GW\_Land\_PatentBoundary
- GW\_FeeLand\_Outline
- GW\_Roads
- GoldenWonder\_12m\_Contours

**Golden Wonder Mine  
6 Level Portal**



## Golden Wonder Project - Plan of Operations

## Appendix A - Claims List

	A	B	C	D	E	F	G	H
1	#	Claim	Claimant(s)	Serial Num	Lead File	Mer Twn Rng	Sec(s)	Quad(s)
2	1	LKA 1	LKA INTERNATIONAL INC	CMC287584	CMC287584	23 43N 4W	10	NE,SW,SE
3	2	LKA 2	LKA INTERNATIONAL INC	CMC287585	CMC287584	23 43N 4W	10	SW,SE
4	3	LKA 3	LKA INTERNATIONAL INC	CMC287586	CMC287584	23 43N 4W	10, (11)	NE, (NW)
5	4	LKA 4	LKA INTERNATIONAL INC	CMC287587	CMC287584	23 43N 4W	2, (11)	SW,SE, (NW)
6	5	LKA 5	LKA INTERNATIONAL INC	CMC287588	CMC287584	23 43N 4W	11	NW
7	6	LKA 6	LKA INTERNATIONAL INC	CMC287589	CMC287584	23 43N 4W	3	SE
8	7	LKA 7	LKA INTERNATIONAL INC	CMC287590	CMC287584	23 43N 4W	3	SE
9	8	LKA 8	LKA INTERNATIONAL INC	CMC287591	CMC287584	23 43N 4W	2, (3), 10, (11)	SW, (SE), NE, (NW)
10	9	LKA 9	LKA INTERNATIONAL INC	CMC287592	CMC287584	23 43N 4W	10, (11)	NE, (NW)
11	10	LKA 10	LKA INTERNATIONAL INC	CMC287593	CMC287584	23 43N 4W	10, (11)	NE, (NW)
12	11	LKA 11	LKA INTERNATIONAL INC	CMC287594	CMC287584	23 43N 4W	10, (11)	NE, SE, (NW, SW)
13	12	LKA 12	LKA INTERNATIONAL INC	CMC287595	CMC287584	23 43N 4W	2, (11)	SW, (NW)
14	13	LKA 13	LKA INTERNATIONAL INC	CMC287596	CMC287584	23 43N 4W	11	NW
15	14	LKA 14	LKA INTERNATIONAL INC	CMC287597	CMC287584	23 43N 4W	11	NW, SW
16	15	LKA 15	LKA INTERNATIONAL INC	CMC287598	CMC287584	23 43N 4W	2	SW, SE
17	16	LKA 16	LKA INTERNATIONAL INC	CMC287599	CMC287584	23 43N 4W	2	SW, SE
18	17	LKA 17	LKA INTERNATIONAL INC	CMC287600	CMC287584	23 43N 4W	2, (11)	SW, SE, (NE, NW)
19	18	LKA 18	LKA INTERNATIONAL INC	CMC287601	CMC287584	23 43N 4W	11	NE, NW
20	19	LKA 19	LKA INTERNATIONAL INC	CMC287602	CMC287584	23 43N 4W	11	NE, NW
21	20	LKA 20	LKA INTERNATIONAL INC	CMC287603	CMC287584	23 43N 4W	2	SE
22	21	LKA 21	LKA INTERNATIONAL INC	CMC287604	CMC287584	23 43N 4W	2	SE
23	22	LKA 22	LKA INTERNATIONAL INC	CMC287605	CMC287584	23 43N 4W	2, (11)	SE, (NE)
24	23	LKA 23	LKA INTERNATIONAL INC	CMC287606	CMC287584	23 43N 4W	11	NE
25	24	GW 1	KINROSS GOLD USA INC	pending	pending	23 43N 4W	2	NW, NE
26	25	GW 2	KINROSS GOLD USA INC	pending	pending	23 43N 4W	2	NW,NE
27	26	GW 3	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1, (2), [30]	NW, (NE), [SW]
28	27	GW 4	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1(30)	NW, (SW)
29	28	GW 5	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1, (2)	NE, (NW)
30	29	GW 6	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1	NW
31	30	GW 7	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1, (2)	NW, NE, (SW, SE)
32	31	GW 8	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1	SW, NW
33	32	GW 9	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1, (2)	SW, SE

Golden Wonder Project - Plan of Operations

Appendix A - Claims List

	A	B	C	D	E	F	G	H
34	33	GW 10	KINROSS GOLD USA INC	pending	pending	23 43N 4W	1	SW
35	34	GW 11	KINROSS GOLD USA INC	pending	pending	23 43N 4W	10	NW, NE
36	35	GW 12	KINROSS GOLD USA INC	pending	pending	23 43N 4W	10	NW, NE
37	36	GW 13	KINROSS GOLD USA INC	pending	pending	23 43N 4W	10	SW, SE
38	37	GW 14	KINROSS GOLD USA INC	pending	pending	23 43N 4W	10	NW
39	38	GW 15	KINROSS GOLD USA INC	pending	pending	23 43N 4W	10	SW

