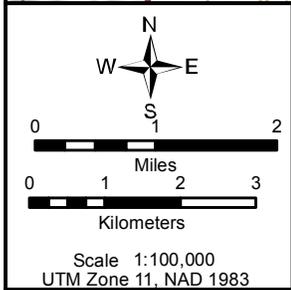
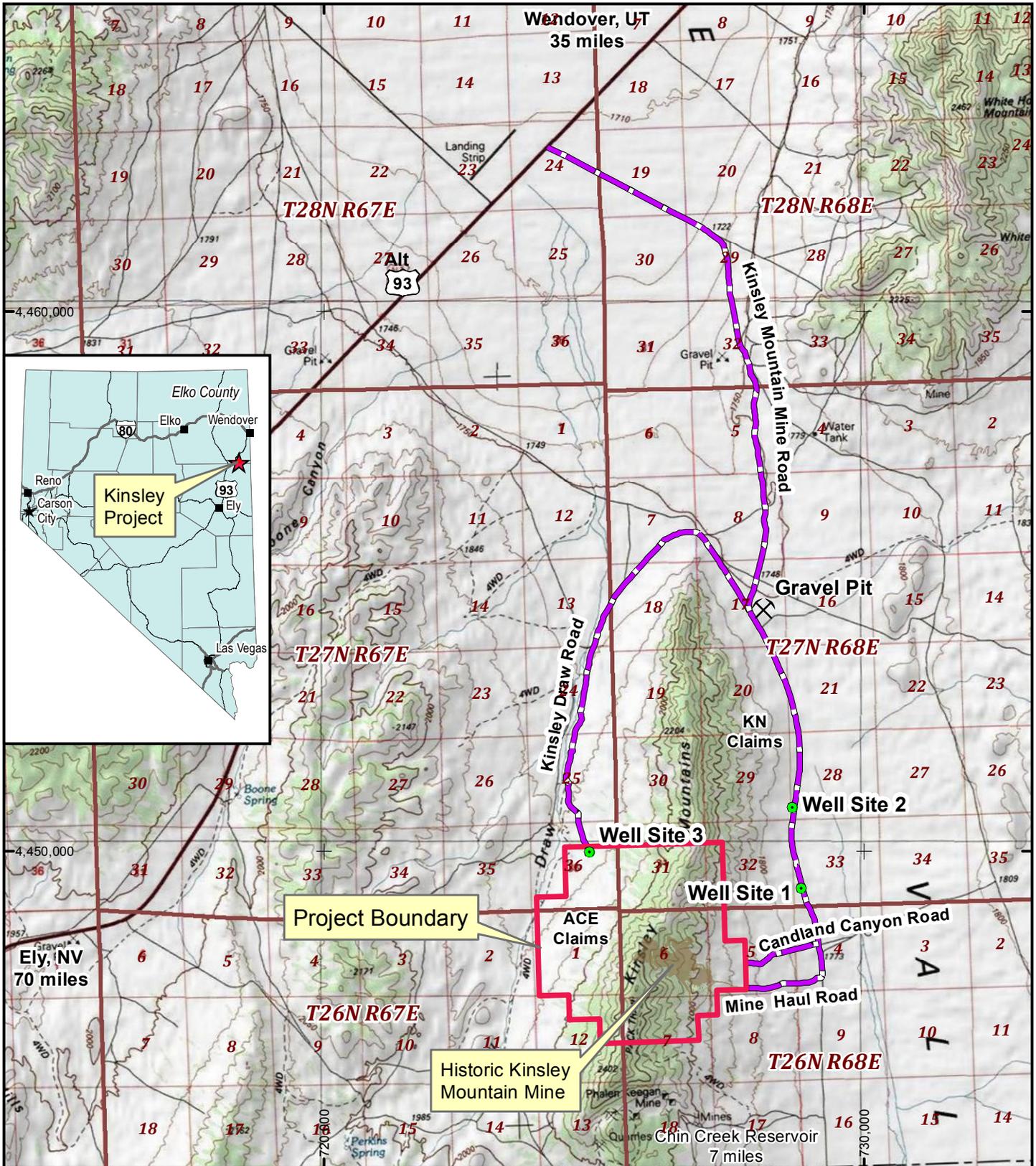


## **Appendix A: Figures**



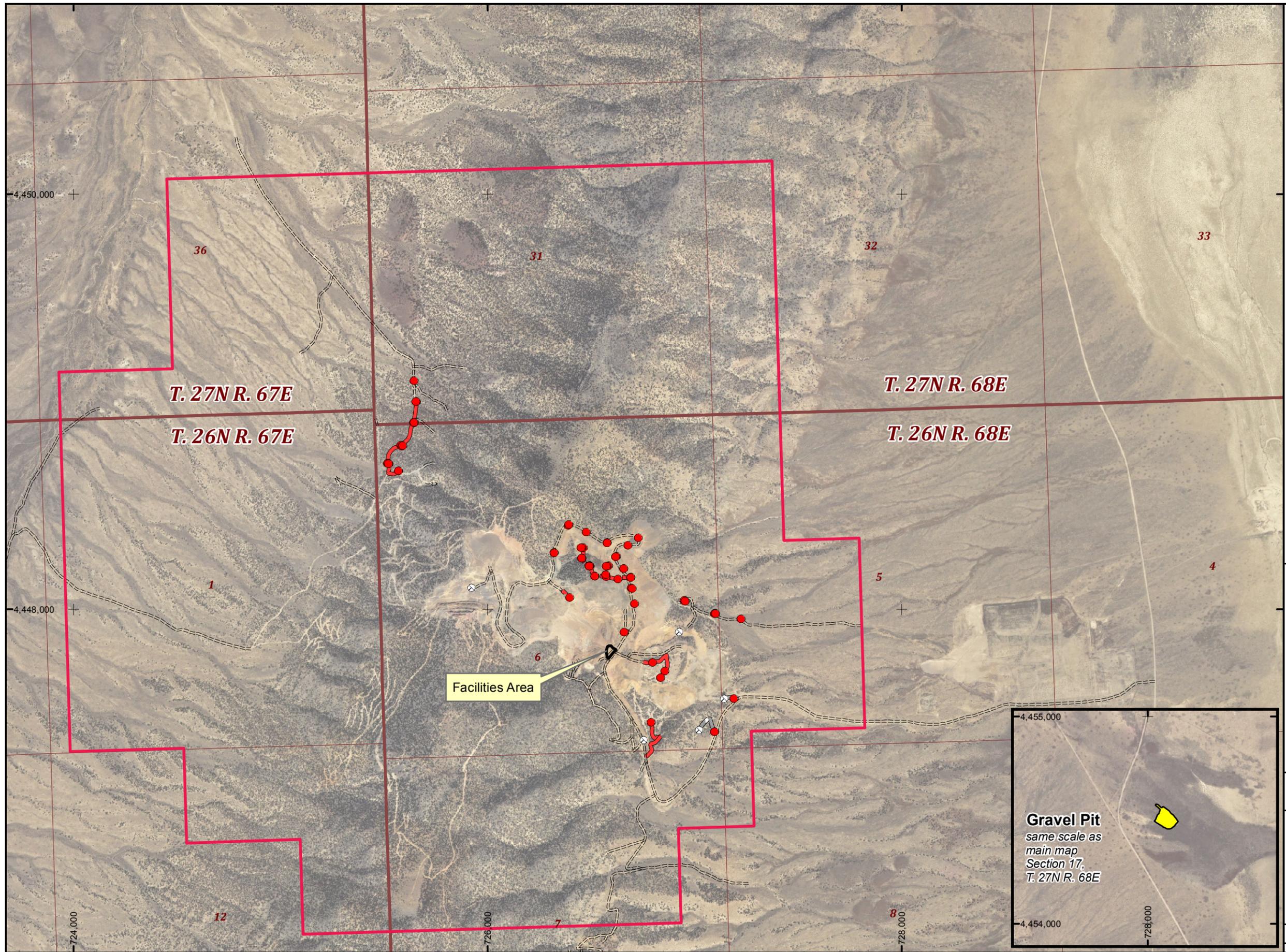
- Gravel Pit
- Well Sites
- Project Area
- Other Pilot Gold Claims
- Public Roads for Right-of-Way
- Historic Kinsley Mountain Mine

**Pilotgold**

**Kinsley Project**  
T26-27N R67-68E, Elko County, Nevada  
**Exploration Plan of Operations**  
**NVN-091528**  
Figure 1.  
Project Location Map

Date: 3-Dec-2012  
File: Kinsley PoO location map.mxd

Drawn by: GSH

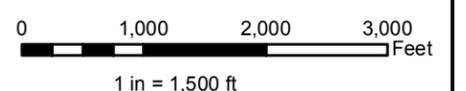
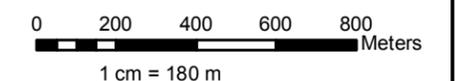


**Legend**

- Plan of Operations Boundary
  - NOI Sites, Constructed
  - NOI Sites, Not Constructed
  - Existing Dirt Road
  - NOI, New Construction
  - NOI, New Overland Travel
  - NOI, Not Constructed
  - Existing Gravel Pit
  - Facilities Area
- 2010 NAIP Orthophoto



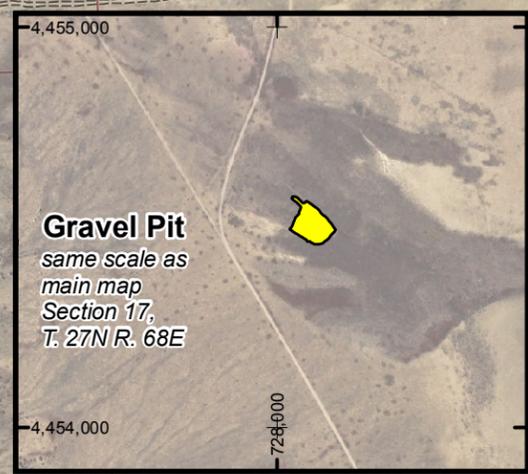
Scale 1:18,000

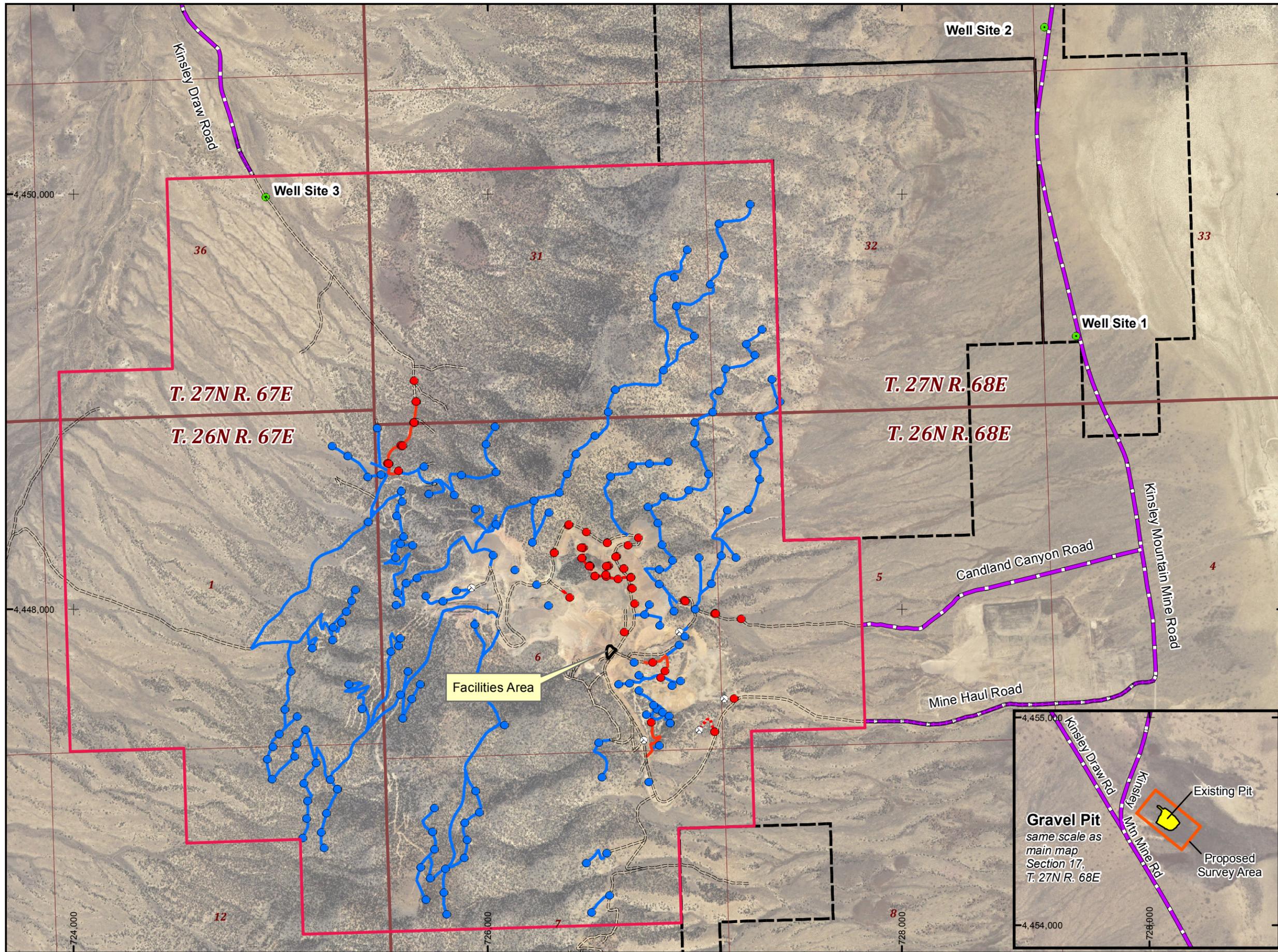


UTM Zone 11, NAD 1983

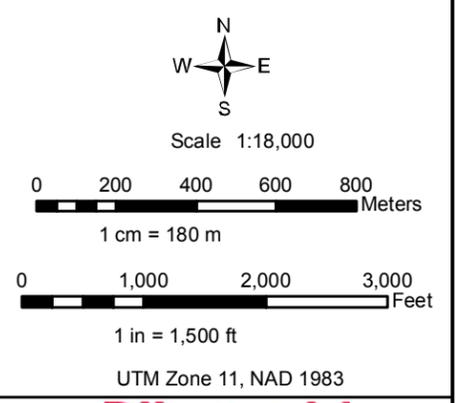


**Kinsley Exploration Project**  
 Elko County, Nevada  
**Exploration Plan of Operations**  
 NVN-091528  
**Figure 2**  
**Authorized Disturbance**  
**Under Notice of Intent**



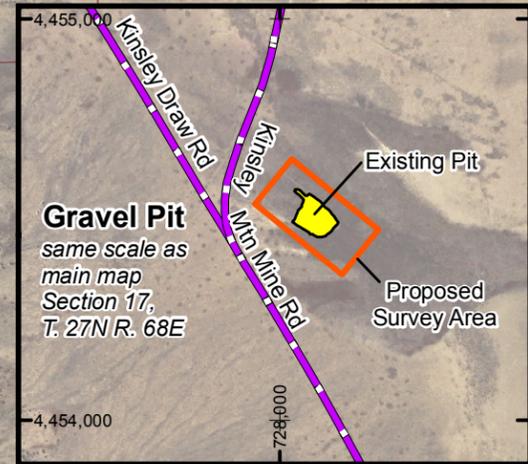


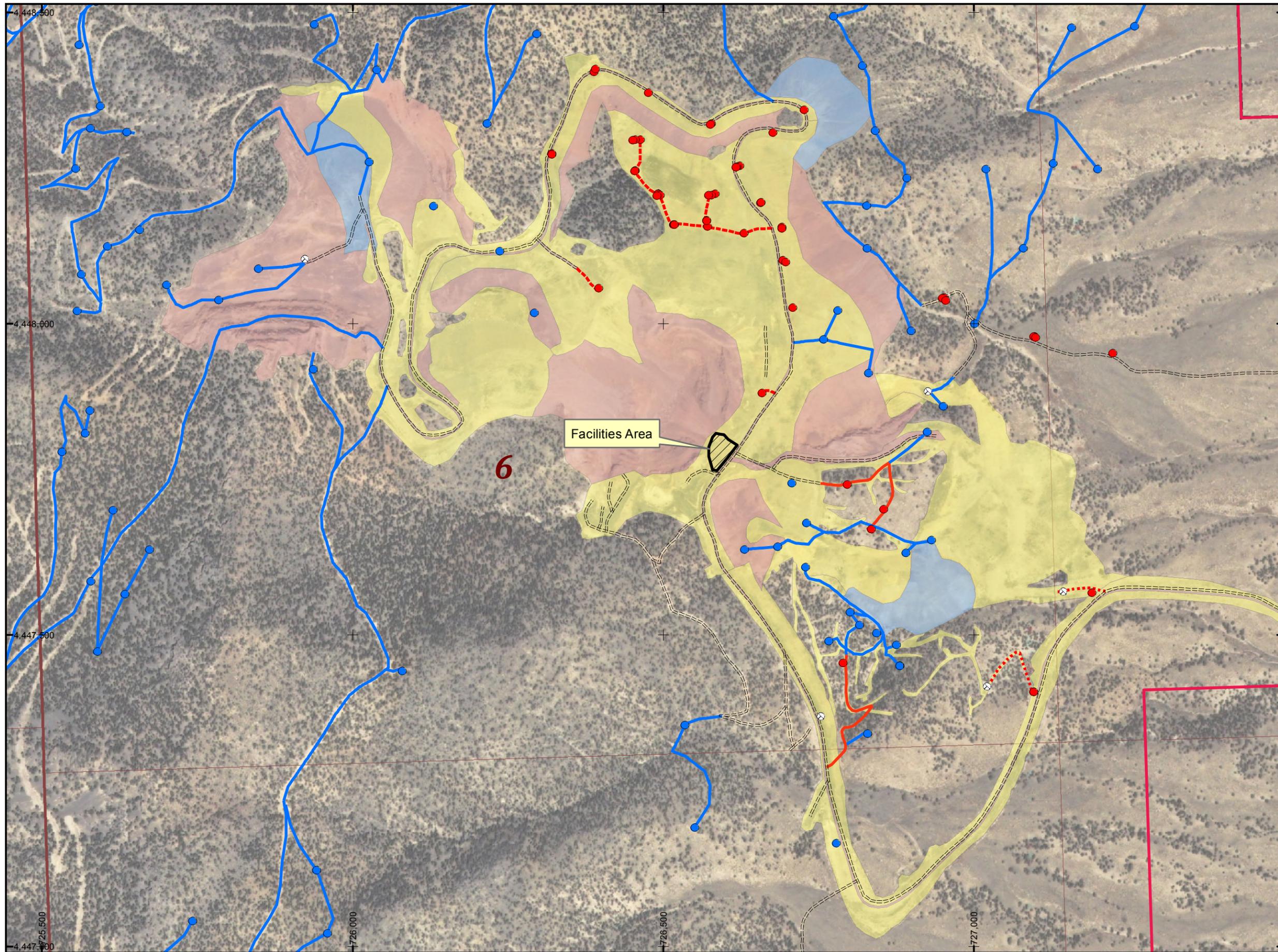
- Legend**
- Plan of Operations Boundary
  - Proposed POO Sites
  - NOI Sites, Constructed
  - ⊗ NOI Sites, Not Constructed
  - Existing Dirt Road
  - NOI, New Construction
  - NOI, New Overland Travel
  - NOI, Not Built
  - POO, New Construction
  - Potential Well Sites
  - Public Roads for Right-of-Way
  - ⬮ Existing Gravel Pit
  - Facilities Area
  - Other Pilot Gold Claims
- 2010 NAIP Orthophoto



**Pilotgold**

**Kinsley Exploration Project**  
Elko County, Nevada  
**Exploration Plan of Operations**  
NVN-091528  
**Figure 3a**  
**Proposed Disturbance**





**Legend**

- Plan of Operations Boundary
- Proposed POO Sites
- NOI Sites, Constructed
- NOI Sites, Not Constructed
- Existing Dirt Road
- NOI, New Construction
- NOI, New Overland Travel
- NOI, Not Built
- POO, New Construction
- Facilities Area

**Reclamation Status**

- Category 1, reclaimed
- Category 2, recontoured
- Category 3, disturbed
- Other Pilot Gold Claims

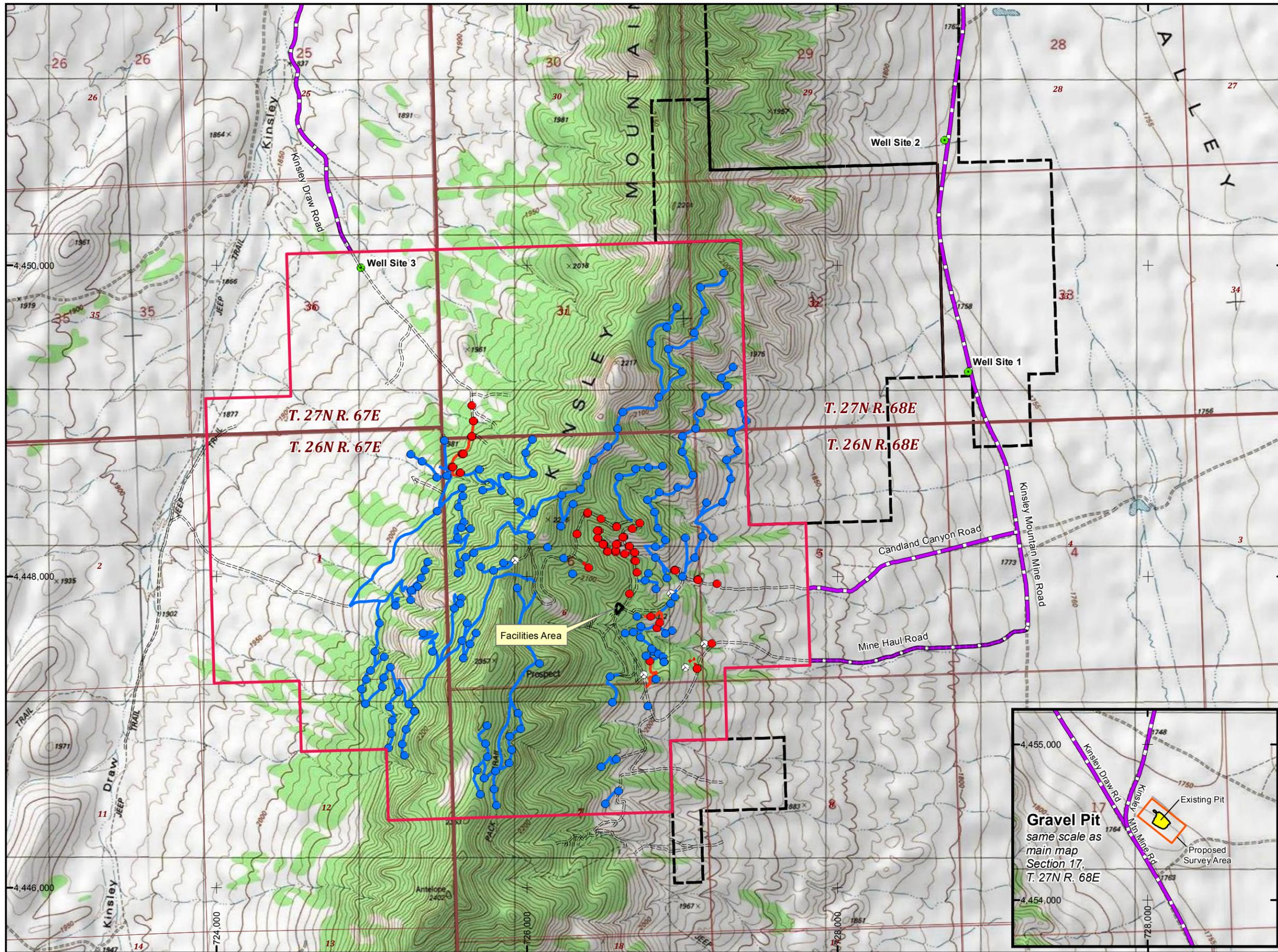
2010 NAIP Orthophoto

Scale 1:6,000  
 0 50 100 150 200 250 Meters  
 1 cm = 60 m  
 0 500 1,000 Feet  
 1 in = 500 ft  
 UTM Zone 11, NAD 1983

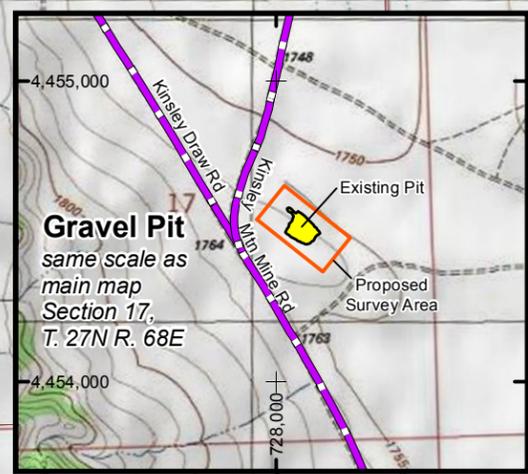
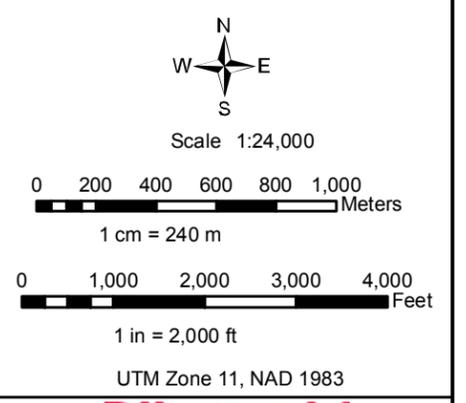
Pilotgold

**Kinsley Exploration Project**  
 Elko County, Nevada  
**Exploration Plan of Operations**  
 NVN-091528  
**Figure 3b**  
**Detail: Proposed Disturbance**  
**and Reclamation Status**

Date: 3-Dec-2012 Drawn by: GSH  
 File: Kinsley POO Fig 3b proposed disturbance detail.mxd



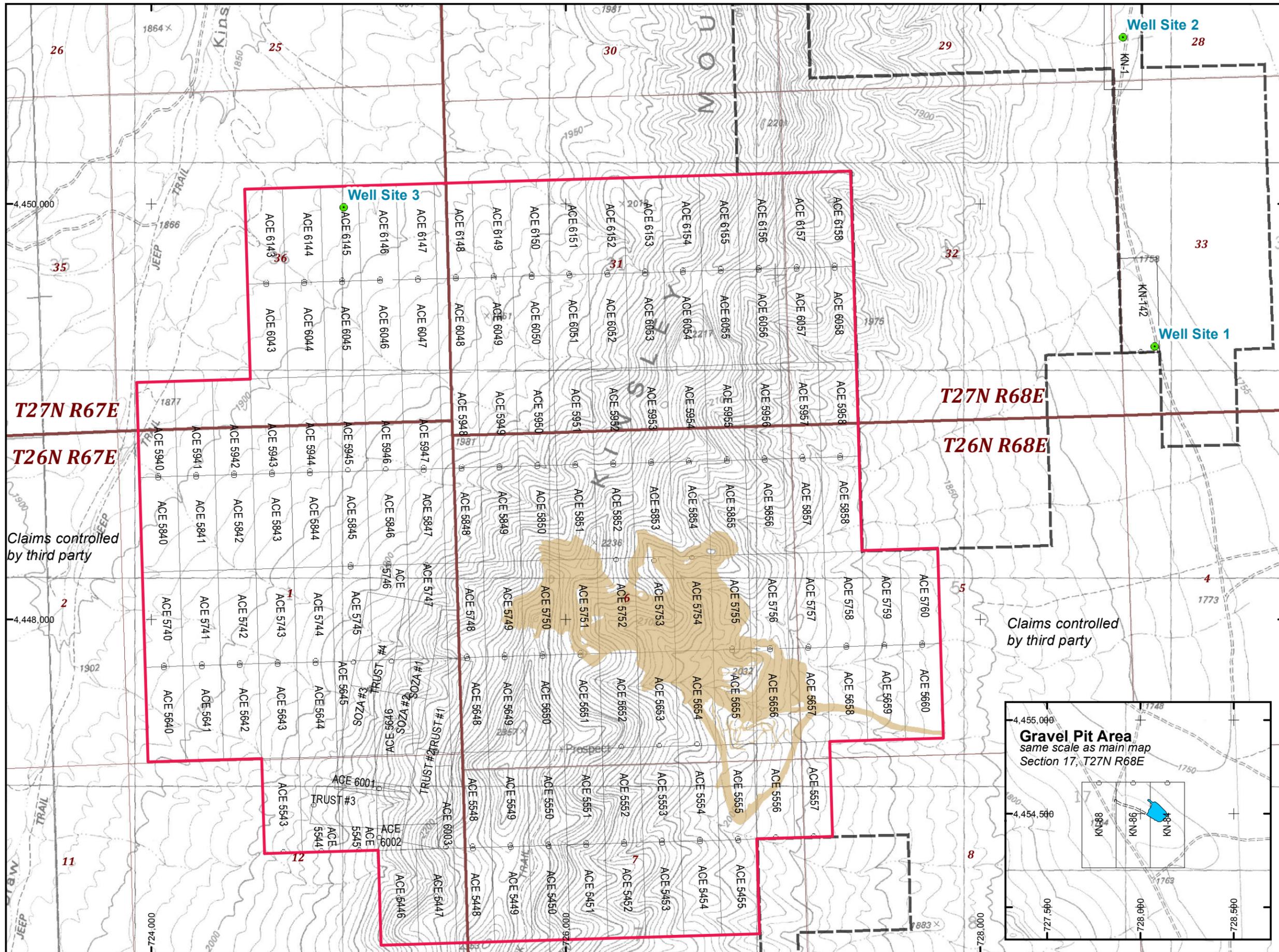
- Legend**
- Plan of Operations Boundary
  - Proposed POO Sites
  - NOI Sites, Constructed
  - NOI Sites, Not Constructed
  - Existing Dirt Road
  - NOI, New Construction
  - NOI, New Overland Travel
  - NOI, Not Built
  - POO, New Construction
  - Potential Well Sites
  - Public Roads for Right-of-Way
  - Existing Gravel Pit
  - Facilities Area
  - Other Pilot Gold Claims



**Pilotgold**

**Kinsley Exploration Project**  
Elko County, Nevada  
**Exploration Plan of Operations**  
NVN-091528  
**Figure 3c**  
**Proposed Disturbance**  
**USGS Topography**

Date: 3-Dec-2012      Drawn by: GSH



Claims controlled by third party

Claims controlled by third party

- Legend**
- Plan of Operations Boundary
  - Potential Well Sites
  - Historic Mine Footprint
  - Location Monuments
  - Claims
  - Other Pilot Gold Claims



Scale 1:18,000

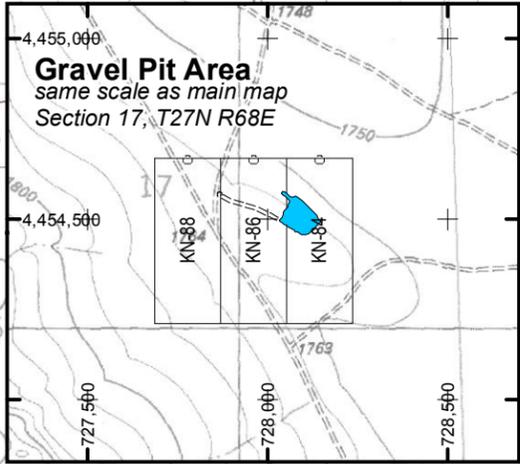
0 200 400 600 Meters

1 cm = 180 m

0 500 1,000 1,500 2,000 Feet

1 in = 1,500 ft

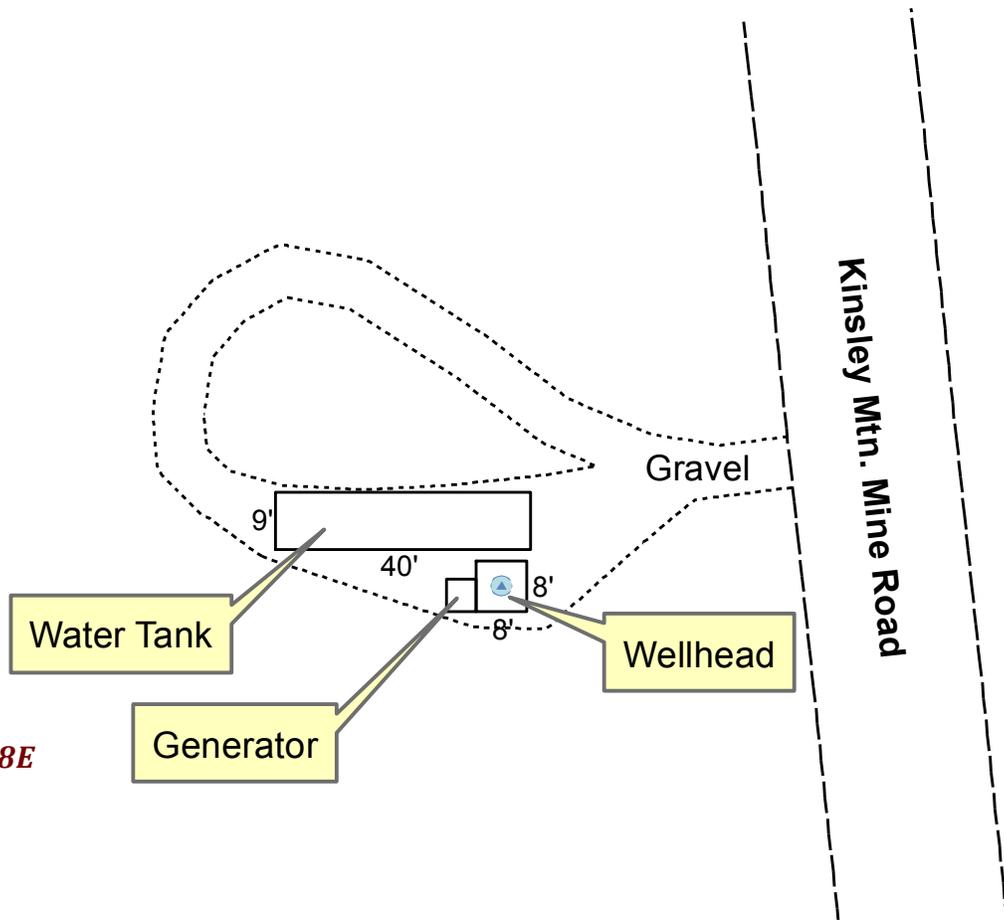
UTM Zone 11, NAD 1983



**Pilotgold**

**Kinsley Exploration Project**  
Elko County, Nevada  
**Exploration Plan of Operations**  
NVN-091528

**Figure 4**  
**Claims in Project Area**



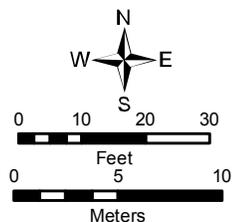
**T26N R68E**



**Example 12,000 Gallon Water Tank and Stand**  
 Dimensions: 8.5' wide, 40' long, 26' high (tank+stand)  
[www.bosstanks.com/rentals.html](http://www.bosstanks.com/rentals.html)



**Example Wellhead Protection Shed**  
 Dimensions: 8' x 8' x 10'  
[www.tuffshed.com](http://www.tuffshed.com)



Scale 1:360  
 UTM Zone 11, NAD 1983

- Water Well
- Mine Road
- Gravel edge
- Water tank
- Wellhead shelter
- Generator

**Pilotgold**

**Kinsley Project**  
 T26-27N R67-68E, Elko County, Nevada  
**Exploration Plan of Operations**  
**NVN-091528**

Figure 5  
 Well site schematic diagram

Date: 3-Dec-2012

File: Kinsley POO well site diagram.mxd

Drawn by: GSH

## **Appendix B: Claims in Project Area**

**Kinsley Exploration Project  
Pilot Gold (USA) Inc.  
Elko County, Nevada  
Claims in Project Area**

Sections 1 and 12, Township 26 North, Range 67 East  
Sections 5-8, Township 26 North, Range 68 East  
Section 36, Township 27 North, Range 67 East  
Sections 17, 28-29, and 31-33, Township 27 North, Range 68 East  
Mt. Diablo Base Line & Meridian

<b>Claim Name</b>	<b>Location Date</b>	<b>Amendment Date</b>	<b>BLM Serial Number</b>	<b>BLM Recording Date</b>	<b>County Document Number</b>	<b>County Recording Date</b>
ACE 5554	10/25/2000		NMC821967	12/27/2000	465496	12/20/2000
ACE 5555	10/25/2000		NMC821968	12/27/2000	465497	12/20/2000
ACE 5556	10/25/2000		NMC821969	12/27/2000	465498	12/20/2000
ACE 5557	10/25/2000		NMC821970	12/27/2000	465499	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5648	10/26/2000		NMC821971	12/27/2000	465500	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5649	10/26/2000		NMC821972	12/27/2000	465501	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5650	10/26/2000		NMC821973	12/27/2000	465502	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5651	10/26/2000		NMC821974	12/27/2000	465503	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5652	10/26/2000		NMC821975	12/27/2000	465504	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
ACE 5653	10/25/2000		NMC821976	12/27/2000	465505	12/20/2000
ACE 5654	10/25/2000		NMC821977	12/27/2000	465506	12/20/2000
ACE 5655	10/25/2000		NMC821978	12/27/2000	465507	12/20/2000
ACE 5656	10/25/2000		NMC821979	12/27/2000	465508	12/20/2000
ACE 5657	10/25/2000		NMC821980	12/27/2000	465509	12/20/2000
		03/07/2001		03/07/2001	NA	NA
		03/29/2001		NA	468507	04/02/2001
ACE 5748	10/26/2000		NMC821981	12/27/2000	465510	12/20/2000
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Claim Name	Location Date	Amendment Date	BLM Serial Number	BLM Recording Date	County Document Number	County Recording Date
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ACE 5750	10/26/2000		NMC821983	12/27/2000	465512	12/20/2000
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ACE 5751	10/26/2000		NMC821984	12/27/2000	465513	12/20/2000
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ACE 5754	10/27/2000		NMC821987	12/27/2000	465516	12/20/2000
ACE 5755	10/25/2000		NMC821988	12/27/2000	465517	12/20/2000
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		03/29/2001		NA	468507	04/02/2001
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ACE 5848	10/27/2000		NMC821990	12/27/2000	465519	12/20/2000
ACE 5849	10/27/2000		NMC821991	12/27/2000	465520	12/20/2000
ACE 5850	10/27/2000		NMC821992	12/27/2000	465521	12/20/2000
ACE 5851	10/27/2000		NMC821993	12/27/2000	465522	12/20/2000
ACE 5852	10/27/2000		NMC821994	12/27/2000	465523	12/20/2000
TRUST #1	4/25/2001		NMC824004	6/25/2001	470181	5/1/2001
TRUST #2	4/25/2001		NMC824005	6/25/2001	470182	5/1/2001
TRUST #3	4/25/2001		NMC824006	6/25/2001	470183	5/1/2001
TRUST #4	4/26/2001		NMC824007	6/25/2001	470184	5/1/2001
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ACE 5746	4/26/2001		NMC824009	6/25/2001	470186	5/1/2001
ACE 5747	4/26/2001		NMC824010	6/25/2001	470187	5/1/2001
ACE 5845	4/26/2001		NMC824011	6/25/2001	470188	5/1/2001
ACE 5846	4/26/2001		NMC824012	6/25/2001	470189	5/1/2001
ACE 5847	4/26/2001		NMC824013	6/25/2001	470190	5/1/2001
ACE 5448	4/7/2002		NMC829976	7/1/2002	485151	7/1/2002
ACE 5449	4/7/2002		NMC829977	7/1/2002	485152	7/1/2002
ACE 5450	4/7/2002		NMC829978	7/1/2002	485153	7/1/2002
ACE 5451	4/6/2002		NMC829979	7/1/2002	485154	7/1/2002
ACE 5452	4/6/2002		NMC829980	7/1/2002	485155	7/1/2002
ACE 5453	4/6/2002		NMC829981	7/1/2002	485156	7/1/2002
ACE 5454	4/6/2002		NMC829982	7/1/2002	485157	7/1/2002
ACE 5455	4/6/2002		NMC829983	7/1/2002	485158	7/1/2002

<b>Claim Name</b>	<b>Location Date</b>	<b>Amendment Date</b>	<b>BLM Serial Number</b>	<b>BLM Recording Date</b>	<b>County Document Number</b>	<b>County Recording Date</b>
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ACE 5545	4/6/2002		NMC829986	7/1/2002	485161	7/1/2002
ACE 5548	4/7/2002		NMC829987	7/1/2002	485162	7/1/2002
ACE 5549	4/7/2002		NMC829988	7/1/2002	485163	7/1/2002
ACE 5550	4/7/2002		NMC829989	7/1/2002	485164	7/1/2002
ACE 5551	4/6/2002		NMC829990	7/1/2002	485165	7/1/2002
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ACE 5553	4/6/2002		NMC829992	7/1/2002	485167	7/1/2002
ACE 5644	4/4/2002		NMC829993	7/1/2002	485168	7/1/2002
ACE 5645	4/4/2002		NMC829994	7/1/2002	485169	7/1/2002
ACE 5646	4/4/2002		NMC829995	7/1/2002	485170	7/1/2002
ACE 5640	10/13/2003		NMC857758	12/17/2003	512092	12/22/2003
ACE 5641	10/13/2003		NMC857759	12/17/2003	512093	12/22/2003
ACE 5642	10/13/2003		NMC857760	12/17/2003	512094	12/22/2003
ACE 5643	10/13/2003		NMC857761	12/17/2003	512095	12/22/2003
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ACE 5659	10/14/2003		NMC857763	12/17/2003	512097	12/22/2003
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ACE 5740	10/13/2003		NMC857765	12/17/2003	512099	12/22/2003
ACE 5741	10/13/2003		NMC857766	12/17/2003	512100	12/22/2003
ACE 5742	10/13/2003		NMC857767	12/17/2003	512101	12/22/2003
ACE 5743	10/13/2003		NMC857768	12/17/2003	512102	12/22/2003
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ACE 5757	10/13/2003		NMC857770	12/17/2003	512104	12/22/2003
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ACE 5759	10/14/2003		NMC857772	12/17/2003	512106	12/22/2003
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ACE 5842	10/13/2003		NMC857776	12/17/2003	512110	12/22/2003
ACE 5843	10/13/2003		NMC857777	12/17/2003	512111	12/22/2003
ACE 5844	10/13/2003		NMC857778	12/17/2003	512112	12/22/2003
ACE 5940	10/13/2003		NMC857779	12/17/2003	512113	12/22/2003
ACE 5941	10/13/2003		NMC857780	12/17/2003	512114	12/22/2003
ACE 5942	10/13/2003		NMC857781	12/17/2003	512115	12/22/2003
ACE 5943	10/13/2003		NMC857782	12/17/2003	512116	12/22/2003
ACE 5944	10/13/2003		NMC857783	12/17/2003	512117	12/22/2003
ACE 5945	10/13/2003		NMC857784	12/17/2003	512118	12/22/2003
ACE 5946	10/13/2003		NMC857785	12/17/2003	512119	12/22/2003

<b>Claim Name</b>	<b>Location Date</b>	<b>Amendment Date</b>	<b>BLM Serial Number</b>	<b>BLM Recording Date</b>	<b>County Document Number</b>	<b>County Recording Date</b>
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ACE 5949	10/13/2003		NMC857788	12/17/2003	512122	12/22/2003
ACE 5950	10/13/2003		NMC857789	12/17/2003	512123	12/22/2003
ACE 6043	10/13/2003		NMC857790	12/17/2003	512124	12/22/2003
ACE 6044	10/13/2003		NMC857791	12/17/2003	512125	12/22/2003
ACE 6045	10/13/2003		NMC857792	12/17/2003	512126	12/22/2003
ACE 6046	10/13/2003		NMC857793	12/17/2003	512127	12/22/2003
ACE 6047	10/13/2003		NMC857794	12/17/2003	512128	12/22/2003
ACE 6048	10/13/2003		NMC857795	12/17/2003	512129	12/22/2003
ACE 6049	10/13/2003		NMC857796	12/17/2003	512130	12/22/2003
ACE 6050	10/13/2003		NMC857797	12/17/2003	512131	12/22/2003
ACE 6143	10/13/2003		NMC857798	12/17/2003	512132	12/22/2003
ACE 6144	10/13/2003		NMC857799	12/17/2003	512133	12/22/2003
ACE 6145	10/13/2003		NMC857800	12/17/2003	512134	12/22/2003
ACE 6146	10/13/2003		NMC857801	12/17/2003	512135	12/22/2003
ACE 6147	10/13/2003		NMC857802	12/17/2003	512136	12/22/2003
ACE 6148	10/13/2003		NMC857803	12/17/2003	512137	12/22/2003
ACE 6149	10/13/2003		NMC857804	12/17/2003	512138	12/22/2003
ACE 6150	10/13/2003		NMC857805	12/17/2003	512139	12/22/2003
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SOZA #2	1/16/2004		NMC859899	1/21/2004	513716	2/3/2004
SOZA #3	1/16/2004		NMC859900	1/21/2004	513717	2/3/2004
ACE 5853	7/28/2004		NMC876718	9/10/2004	523766	9/13/2004
ACE 5854	7/28/2004		NMC876719	9/10/2004	523767	9/13/2004
ACE 5855	7/28/2004		NMC876720	9/10/2004	523768	9/13/2004
ACE 5856	7/28/2004		NMC876721	9/10/2004	523769	9/13/2004
ACE 5857	7/28/2004		NMC876722	9/10/2004	523770	9/13/2004
ACE 5858	7/28/2004		NMC876723	9/10/2004	523771	9/13/2004
ACE 5951	7/28/2004		NMC876724	9/10/2004	523772	9/13/2004
ACE 5952	7/28/2004		NMC876725	9/10/2004	523773	9/13/2004
ACE 5953	7/28/2004		NMC876726	9/10/2004	523774	9/13/2004
ACE 5954	7/28/2004		NMC876727	9/10/2004	523775	9/13/2004
ACE 5955	7/28/2004		NMC876728	9/10/2004	523776	9/13/2004
ACE 5956	7/28/2004		NMC876729	9/10/2004	523777	9/13/2004
ACE 5957	7/28/2004		NMC876730	9/10/2004	523778	9/13/2004
ACE 5958	7/28/2004		NMC876731	9/10/2004	523779	9/13/2004
ACE 6051	7/29/2004		NMC876732	9/10/2004	523780	9/13/2004
ACE 6052	7/29/2004		NMC876733	9/10/2004	523781	9/13/2004
ACE 6053	7/29/2004		NMC876734	9/10/2004	523782	9/13/2004

<b>Claim Name</b>	<b>Location Date</b>	<b>Amendment Date</b>	<b>BLM Serial Number</b>	<b>BLM Recording Date</b>	<b>County Document Number</b>	<b>County Recording Date</b>
ACE 6054	7/29/2004		NMC876735	9/10/2004	523783	9/13/2004
ACE 6055	7/29/2004		NMC876736	9/10/2004	523784	9/13/2004
ACE 6056	7/29/2004		NMC876737	9/10/2004	523785	9/13/2004
ACE 6057	7/29/2004		NMC876738	9/10/2004	523786	9/13/2004
ACE 6058	7/29/2004		NMC876739	9/10/2004	523787	9/13/2004
ACE 6151	7/29/2004		NMC876740	9/10/2004	523788	9/13/2004
ACE 6152	7/29/2004		NMC876741	9/10/2004	523789	9/13/2004
ACE 6153	7/29/2004		NMC876742	9/10/2004	523790	9/13/2004
ACE 6154	7/29/2004		NMC876743	9/10/2004	523791	9/13/2004
ACE 6155	7/29/2004		NMC876744	9/10/2004	523792	9/13/2004
ACE 6156	7/29/2004		NMC876745	9/10/2004	523793	9/13/2004
ACE 6157	7/29/2004		NMC876746	9/10/2004	523794	9/13/2004
ACE 6158	7/29/2004		NMC876747	9/10/2004	523795	9/13/2004
ACE 5446	9/4/2004		NMC880251	10/26/2004	525664	10/27/2004
ACE 5447	9/4/2004		NMC880252	10/26/2004	525665	10/27/2004
KN-1	10/25/2011		NMC1063529	1/9/2012	650126	12/27/2011
KN-84	10/27/2011		NMC1063607	1/9/2012	650204	12/27/2011
KN-86	10/27/2011		NMC1063609	1/9/2012	650206	12/27/2011
KN-88	10/27/2011		NMC1063611	1/9/2012	650208	12/27/2011
ACE 6001	12/22/2011		NMC1066043	2/3/2012	651728	2/3/2012
ACE 6002	12/22/2011		NMC1066044	2/3/2012	651729	2/3/2012
ACE 6003	12/22/2011		NMC1066045	2/3/2012	651730	2/3/2012
KN-142	8/3/2012		NMC1077069	8/24/2012	660255	8/21/2012

## **Appendix C: Reclamation Cost Estimate**

Kinsley Exploration Project  
Pilot Gold (USA) Inc.  
Elko County, Nevada  
Reclamation Cost Estimate and SRCE Tables

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The reclamation cost estimate (Appendix C), as required by 43 CFR 3809.552, is attached to this Plan. The official Nevada Standardized Reclamation Cost Estimator (SRCE) software that was developed in accordance with the Nevada Standardized Unit Cost Project, a cooperative effort between the NDEP, the BLM, and the Nevada Mining Association (NvMA) to facilitate accuracy, completeness, and consistency in the calculation of costs for mine site reclamation was used to estimate the cost of reclamation.

The existing notice (NVN-090386) is currently obligated for a total of \$15,918. The total reclamation cost estimate for the 60.00 acres of authorized and proposed surface disturbance under this Plan equals \$254,122.00. The statewide bond will be increased by the appropriate amount in order to cover the bond total associated with this Plan upon receiving concurrence from the BLM and BMRR that the amount is satisfactory.

## STANDARDIZED RECLAMATION COST ESTIMATOR

Version 1.1.2 (updated 03 February, 2008)

### COST DATA FILE INFORMATION

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Cost Data File: cost\_data-std-nv2011.xls

Cost Data Date: August 1, 2011

Cost Data Basis: Standardized Data

Author/Source: Nevada Division of Environmental Protection (NDEP) & NV BLM

### PROJECT INFORMATION

Project Name: Kinsley Exploration Plan of Operations

Date of Submittal: 6/1/2012

Select One:  Notice or Sm Exploration Plan  Lg Exploration Plan  Mine Plan of Operations

Select One:  Private Land  Public or Public/Private

Cost Basis Category: \_\_\_\_\_

Cost Basis Description: Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe, and White Pine Counties

**NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY**

Project Name: Kinsley Exploration Plan of Operations

Project Date: 6/1/2012

Model Version: Version 1.1.2 (updated 03 February, 2008)

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

<b>A. Earthwork/Recontouring</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Exploration	\$1,361	\$3,456	\$1,376	\$6,193
Exploration Roads & Drill Pads	\$49,178	\$87,298	\$0	\$136,476
Roads	\$0	\$0	\$0	\$0
Well Abandonment*	\$0	\$0	\$0	\$0
Pits			N/A	\$0
Underground Openings	\$0	\$0	\$0	\$0
Process Ponds	\$0	\$0	\$0	\$0
Heaps	\$0	\$0	\$0	\$0
Waste Rock Dumps	\$0	\$0	\$0	\$0
Landfills	\$0	\$0	\$0	\$0
Tailings	\$0	\$0	\$0	\$0
Foundation & Buildings Areas	\$0	\$0	\$0	\$0
Yards, Etc.	\$517	\$1,528	\$0	\$2,045
Drainage & Sediment Control	\$0	\$0	\$0	\$0
Other**				\$0
<b>Subtotal</b>	<b>\$51,056</b>	<b>\$92,282</b>	<b>\$1,376</b>	<b>\$144,714</b>
Mob/Demob*				\$0
<b>Subtotal "A"</b>	<b>\$51,056</b>	<b>\$92,282</b>	<b>\$1,376</b>	<b>\$144,714</b>
<b>B. Revegetation/Stabilization</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Exploration	\$0	\$0	\$0	\$0
Exploration Roads & Drill Pads	\$5,407	\$4,646	\$21,730	\$31,783
Roads				\$0
Well Abandonment				N/A
Pits				\$0
Underground Openings				N/A
Process Ponds				\$0
Heaps				\$0
Waste Rock Dumps				\$0
Landfills				\$0
Tailings				\$0
Foundation & Buildings Areas				\$0
Yards, Etc.	\$87	\$74	\$333	\$494
Drainage & Sediment Control	\$0	\$0	\$0	\$0
Other**				\$0
<b>Subtotal "B"</b>	<b>\$5,494</b>	<b>\$4,720</b>	<b>\$22,063</b>	<b>\$32,277</b>
<b>C. Detoxification/Water Treatment/Disposal of Wastes**</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Process Ponds/Sludge*				\$0
Heaps*				\$0
Dumps (Waste & Landfill)*				\$0
Tailings*				\$0
Surplus Water Disposal*				\$0
Monitoring*				\$0
Miscellaneous*				\$0
Solid Waste - On Site	\$0	\$0	N/A	\$0
Solid Waste - Off Site				\$0
Hazardous Materials				\$0
Hydrocarbon Contaminated Soils	\$0	\$0	\$0	\$0
Other**				\$0
<b>Subtotal "C"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>D. Structure, Equipment and Facility Removal</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Foundation & Buildings Areas	\$0	\$0	\$0	\$0
Other Demolition	\$0	\$0	\$0	\$0
Equipment Removal	\$0	\$0	\$0	\$0
Fence Removal				\$0
Fence Installation				\$0
Pipe & Culvert Removal				\$0
Powerline Removal				\$0
Transformer Removal				\$0
Rip-rap, rock lining, gabions				\$0
Other Misc. Costs				\$0
Other**				\$0
<b>Subtotal "D"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>E. Monitoring</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Reclamation Monitoring and Maintenance				\$0
Ground and Surface Water Monitoring				\$0
<b>Subtotal "E"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>F. Construction Management &amp; Support</b>	<b>Labor</b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Construction Management			N/A	\$0
Construction Support	\$0	\$0	\$0	\$0
Road Maintenance	\$0	\$0		\$0
Other**				\$0
<b>Subtotal "F"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>G. Operational &amp; Maintenance Costs</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials <sup>(3)</sup></b>	<b>Total</b>
<b>Subtotal A through F</b>	<b>\$56,550</b>	<b>\$97,002</b>	<b>\$23,439</b>	<b>\$176,991</b>

\* Costs estimated outside of standardized model - additional documentation required.

\*\* Other Operator supplied costs - additional documentation required.

**NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY**

**Project Name: Kinsley Exploration Plan of Operations**

**Project Date: 6/1/2012**

**Model Version: Version 1.1.2 (updated 03 February, 2008)**

**File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm**

Indirect Costs	Include?	Total
1. Engineering, Design and Construction (ED&C) Plan (7)		\$14,159
2. Contingency (8)		\$17,699
3. Insurance (9)	\$848	\$848
4. Performance Bond (10)		\$5,310
5. Contractor Profit (11)		\$17,699
6. Contract Administration (12)		\$17,699
7. BLM Indirect Cost (13)		\$3,717
<b>Subtotal Add-On Costs</b>		<b>\$77,131</b>
<b>Grand Total</b>		<b>\$254,122</b>

Administrative Cost Rates (%)	Cost Ranges for Indirect Cost Percentages				
	<=	<=	<=	>	
1. Engineering, Design and Construction (ED&C) Plan (7)	\$1,000,000	\$25,000,000		\$25,000,000	Notice Level
Variable Rate	8%	6%		4%	0%
2. Contingency (8)	\$500,000	\$5,000,000	\$50,000,000	\$50,000,000	Notice Level
Variable Rate	10%	8%	6%	4%	0%
3. Insurance (9)	1.5%	of labor costs			
4. Bond (10)	3.0%	of the O&M costs if O&M costs are >\$100,000			
5. Contractor Profit (11)	10%	of the O&M costs			
6. Contract Administration (12)	\$1,000,000	\$25,000,000		\$25,000,000	
Variable Rate	10%	8%		6%	
7. BLM Indirect Cost (13)	21%	of Contract Administration			

**RECLAMATION COST ESTIMATION SUMMARY SHEET FOOTNOTES**

- Federal construction contracts require Davis-Bacon wage rates for contracts over \$2,000. Wage rate estimates may include base pay, payroll loading, overhead and profit. To avoid double counting of any of the identified administrative costs the operator must itemize the components of their labor cost estimates or provide BLM with a signed statement, under penalty of USC 1001, that identifies what specific administrative costs are included in the quoted hourly rate.
- The reclamation cost estimate must include the estimated plugging cost of at least one drill hole for each active drill rig in the project area. Where the submitted Notice or approved Plan of Operations calls for drill holes to be plugged, but doesn't specifically require the drill holes be plugged before the drill rig has been moved from the drill pad, the reclamation cost estimate must include the plugging cost for those drill holes. For all drill holes and wells scheduled to be left open, the estimated plugging cost must be included in the reclamation cost estimate. Where the approved Plan of Operations proposes immediate mining through an area where the drilling is to occur, and the cost of the post-mining reclamation is included in the reclamation cost estimate, the cost estimate does not need to include the plugging costs for those drill holes.
- Miscellaneous items should be itemized on accompanying worksheets.
- Fluid management should be calculated only when mineral processing activities are involved. Fluid management represents the costs of maintaining proper fluid management to prevent overflow of solution ponds through premature cessation or abandonment of operations. Calculate a minimum six month direct cost estimate which includes power, supplies, equipment, labor and maintenance.
- Handling of hazardous materials includes the cost of decontaminating, neutralizing, disposing, treating and/or isolating all hazardous materials used, produced, or stored on the site.
- Any mitigation measures required in the Plan of Operations must be included in the reclamation cost estimate. Mitigation may include measures to avoid, minimize, rectify and reduce or eliminate the impact, or compensate for the impact.
- Engineering, design and construction (ED&C) plans are often necessary to provide details on the reclamation needed to contract for the required work. To estimate the cost to develop an ED&C plan use 4-8% of the O&M cost. Calculate the ED&C cost as a percentage of the O&M cost as follows: up to and including \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%. Inclusion of a line item for the development of an ED&C plan may not be necessary for small operations, such as notice-level exploration. With small, uncomplicated reclamation efforts contracting may be able to proceed without developing an ED&C plan. [ED&C is automatically eliminated if "Notice" is selected on the Property Information Sheet]
- A contingency cost is included in the reclamation cost estimation to cover unforeseen cost elements. Calculate the contingency cost as a percentage of the O&M cost as follows: up to and including \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and greater than \$50 million, use 4%. As with the ED&C cost, inclusion of a contingency cost may not be necessary for small operations, such as notice-level exploration.
- Insurance premiums are calculated at 1.5% of the total labor costs. Enter the premium amount if liability insurance is not included in the itemized unit costs.
- Federal construction contracts exceeding \$100,000 require both a performance and a payment bond (Miller Act, 40 USC 270et seq.). Each bond premium is figured at 1.5% of the O&M cost. Enter the sum of both premium costs on this line.
- For Federal construction contracts, use 10% of estimated O&M cost for the contractor's profit.
- To estimate the contract administration cost, use 6 to 10% of the operational and maintenance (O&M) cost. Calculate the contract administration cost as a percentage of the O&M cost as follows: up to and including \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and greater than \$25 million use 6%.
- BLM's indirect cost rate is 21% of BLM's contract administration costs.

# Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration - Cost Summary				
	Labor	Equipment	Materials	Totals
Hole Abandonment Costs	\$1,361	\$3,456	\$1,376	\$6,193
Trench Backfilling Costs				\$0
<i>Subtotal Earthworks</i>	<i>\$1,361</i>	<i>\$3,456</i>	<i>\$1,376</i>	<i>\$6,193</i>
Trench Revegetation Costs				\$0
<i>Subtotal Revegetation</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<b>TOTALS</b>	<b>\$1,361</b>	<b>\$3,456</b>	<b>\$1,376</b>	<b>\$6,193</b>

Color Code Key	
User Input - Direct Input	<i>Direct Input</i>
User Input - Pull Down List	<i>Pull Down Selection</i>
Program Constant (can override)	<i>Alternate Input</i>
Program Calculated Value	<i>Locked Cell - Formula or Reference</i>

Exploration hole surface seal thickness:  ft

Minimum seal above groundwater table:  ft

## Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Drillhole Abandonment - User Input									
		Hole Plugging							
Description	Hole Type (select)	Diameter in	Total Number of Holes	Max Holes Open at One Time	Casing to Remove ft	Average Depth of Hole(1) ft bgs	Depth to Water ft bgs	Hole Plug Method (select)	
1	RC Holes	Reverse Circ	9	100	1	0	1,000	100	Grout + Backfill
2	Core Holes	Core	3.78	200	1	0	1,000	100	Grout + Backfill

Notes:

1. If core holes are pre-drilled, use length of hole below pre-drilled length

# Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Trenches - User Input											
Description (required)	Trench Parameters					Backfill			Revegetation		
	Trench Length ft	Trench Depth ft	Trench Bottom Width ft	Trench Sideslope Angle degrees	Additional Hrs for Walk-in <sup>(1)</sup>	Backfill Material (select)	Cut Material Type (select)	Backfilling Fleet (select)	Seed Mix (select)	Mulch (select)	Fertilizer (select)
1											

1. Include one-way hours necessary to walk equipment in from drop-off point to work area

## Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Drillhole Abandonment

	Description	Vol/foot of depth ft3	Hole Plugging Material <sup>(1)</sup>	Total Grout Volume <sup>(2)</sup> cy	Total Cuttings Volume cy	Total Top Seal Volume <sup>(3,4)</sup> cy	Total Drillhole Abandon. Hours <sup>(6,7)</sup> hrs	Casing Removal Labor Cost <sup>(5)</sup> \$	Casing Removal Equipment Cost \$	Plugging Labor Cost \$	Plugging Equipment Cost \$	Plugging Material Cost \$	Top Seal Material Cost <sup>(2,3)</sup> \$	Total Cost <sup>(6,7)</sup> \$
1	RC Holes	0.44	Grout + Cuttings	19.35	0.65	0.20	7.7			\$870	\$2,209	\$1,104	\$59	\$4,242
2	Core Holes	0.08	Grout + Cuttings	3.52	0.12	0.04	5.0			\$491	\$1,247	\$201	\$12	\$1,951
				22.87	0.77	0.24	12.7			\$1,361	\$3,456	\$1,305	\$71	\$6,193

Notes:

1. Assumes grout backfill from bottom of hole to 50' (15.24m) above static water level, up to distance from top of hole as set above.
2. Assumes 25% loss to formation for grout backfill
3. If "Top Plug" hole plug method is used, assumes physical plug installed without backfill, grout or cement. Not available option for Nevada projects
4. Assumes top 10' (3 m) of hole is plugged with cement if "Grout Only", "Backfill + Grout", or "Cement Plug" hole plug method are chosen.
5. Assumes that a) casing is not cemented entire length, b) does not include temporary surface casing
6. Assumes minimum 1 hr per hole for abandonment (excluding move-to and casing removal)
7. Assumes fixed hours per hole for setup & tear-down and moving between holes (see Productivity Sheet) per drill hole (includes rig time if grouting required, labor crew only if cuttings backfill only)

# Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

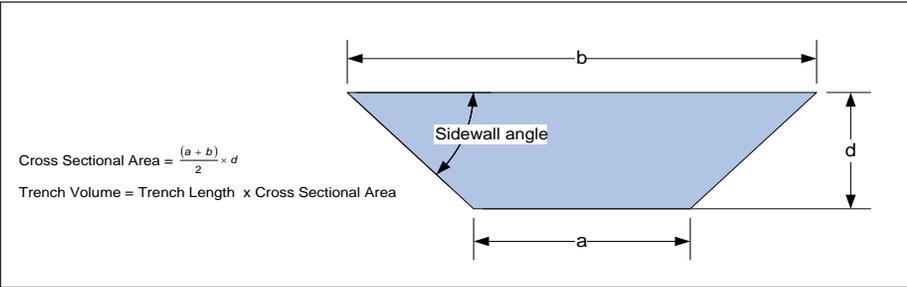
Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

## Exploration Trenches - Calculations

### Exploration Trench Volume Calculation



### Dozing & Ripping/Scarifying Calculations

**Dozing:** Dozing distance = 1/2 trench length or 400 ft (max push) whichever is less  
Assumes flat push (grade correction factor = 1)

**Revegetation:** 10 ft (3 m) added to trench width to account for revegetation under spoil pile

# Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Trenches - Backfill/Regrading Costs											
Productivity = Dozer Productivity x Grade Correction x Density Correction x Operator (0.75) x Material x Visibility x Job Efficiency (0.83)											
Description (required)	Trench Backfill Volume <small>LCY (BCY+30%)</small>	Dozer Push Distance <small>ft</small>	Equipment Productivity <small>yd3/hr</small>	Dozing Material	Density Correction	Backfilling Fleet	Corrected Hourly Productivity <small>yd3/hr</small>	Total Dozer Hours <small>hr</small>	Trench Backfill Labor Cost <small>\$</small>	Trench Backfill Equipment Cost <small>\$</small>	Total Trench Backfill Cost <small>\$</small>
1											

# Bond Calculation Exploration

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Trenches - Revegetation Costs					
Description (required)	Surface Area acres	Revegetation Labor Cost \$	Revegetation Equipment Cost \$	Revegetation Material Cost \$	Total Revegetation Cost \$
1					

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Roads & Pads - Cost Summary				
	Labor	Equipment	Materials	Totals
Grading Costs	\$25,953	\$31,034	N/A	\$56,987
Cover Placement Cost	\$17,034	\$52,906	N/A	\$69,940
Ripping Cost	\$6,191	\$3,358	N/A	\$9,549
<b>Subtotal Earthworks</b>	<b>\$49,178</b>	<b>\$87,298</b>		<b>\$136,476</b>
Revegetation Cost	\$5,407	\$4,646	\$21,730	\$31,783
<b>TOTALS</b>	<b>\$54,585</b>	<b>\$91,944</b>	<b>\$21,730</b>	<b>\$168,259</b>

Color Code Key	
User Input - Direct Input	Direct Input
User Input - Pull Down List	Pull Down Selection
Program Constant (can override)	Alternate Input
Program Calculated Value	Locked Cell - Formula or Reference

Maximum grade allowed for dozer: %

Original slope cutoff to include extra sump volume: %

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Roads & Pads - User Input

*You must fill in ALL green cells and relevant blue cells in this section for each road*

Facility Description		Physical <sup>(1)</sup>										User Overrides	
Description (required)	ID Code	Underlying Ground Slope % grade	Ungraded Slope _H:1V	Cut Slope degrees	Road + Drill Pad Length ft	Road Width ft	Number of Drill Pads	Individual Sump Volume cy	Drill Pad Width ft	Drill Pad Length ft	Slope Replacement %	Regrade Volume (if calculated elsewhere) cy	Disturbed Area (if calculated elsewhere) acres
1	Proposed road, 5%	5	5.0	1.3	53	3,085	12	0	20	30	70	100%	
2	Proposed road, 15%	15	15.0	1.3	53	9,232	12	0	20	30	70	100%	
3	Proposed road, 25%	25	25.0	1.3	53	15,427	12	0	20	30	70	100%	
4	Proposed road, 35%	35	35.0	1.3	53	17,714	12	0	20	30	70	100%	
5	Proposed road, 45%	45	45.0	1.3	53	14,176	12	0	20	30	70	100%	
6	Proposed road, 55%	55	55.0	1.3	53	7,511	12	0	20	30	70	100%	
7	Proposed road, 65%	70	70.0	1.3	53	5,365	12	0	20	30	70	100%	
8	Proposed site, 5%		5.0	1.3	53	980	12	14	20	30	70	100%	
9	Proposed site, 15%		15.0	1.3	53	1,120	12	16	20	30	70	100%	
10	Proposed site, 25%		25.0	1.3	53	2,450	12	35	20	30	70	100%	
11	Proposed site, 35%		35.0	1.3	53	3,290	12	47	20	30	70	100%	
12	Proposed site, 45%		45.0	1.3	53	2,590	12	37	20	30	70	100%	
13	Proposed site, 55%		55.0	1.3	53	1,120	12	16	20	30	70	100%	
14	Proposed site, 65%		70.0	1.3	53	420	12	6	20	30	70	100%	
15	NOI road, <30%		15.0	1.3	53	2,534	12	0	20	30	70	100%	
16	NOI pad, <30%		15.0	1.3	53	560	12	8	20	30	70	100%	
17	NOI overland travel		0.0	0	0	1,453	12	0	0	30	70	0%	
18	NOI road, >30%		35.0	1.3	53	0	12	0	20	30	70	100%	
19	NOI Pad, >30%		35.0	1.3	53	140	12	2	20	30	70	100%	
20	NOI overland site		0.0	0	0	1,750	12	25	20	30	70	0%	

1. All Physical parameters must be input even if manual overrides for volume or area are used.

2. Sump volume will be applied to all roads on slopes less than show above. On slopes great than shown above pad width (i.e. cut volume) should be adequate to account for sump volume.

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

Exploration Roads & Pads - User Input (cont.)													
<i>You must fill in ALL green cells and relevant blue cells in this section for each road</i>													
Description (required)	Grading				Cover			Revegetation					
	Regrade Material (select)	Cut Material Type (select)	Recontouring Equipment Fleet (select)	Additional Hrs for Walk-in <sup>(1)</sup> (select)	Cover Material Type (select)	Cover Placement Equipment Fleet (select)	Additional Hrs for Walk-in <sup>(1)</sup> (select)	Seed Mix (select)	Mulch (select)	Fertilizer (select)	Scarifying/ Ripping? (select)	Ripping Fleet (select)	
1	Proposed road, 5%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
2	Proposed road, 15%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
3	Proposed road, 25%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
4	Proposed road, 35%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
5	Proposed road, 45%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
6	Proposed road, 55%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
7	Proposed road, 65%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
8	Proposed site, 5%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
9	Proposed site, 15%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
10	Proposed site, 25%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
11	Proposed site, 35%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
12	Proposed site, 45%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
13	Proposed site, 55%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
14	Proposed site, 65%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
15	NOI road, <30%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
16	NOI pad, <30%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
17	NOI overland travel	select material	Topsoil	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
18	NOI road, >30%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
19	NOI Pad, >30%	1.2	LS - broken	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer
20	NOI overland site	select material	Topsoil	Med Excavator		Topsoil	Scraper Dozer		Mix 3	None	None	Yes	Small Dozer

1. Include one-way hours necessary to walk equipment in from drop-off point to work area

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

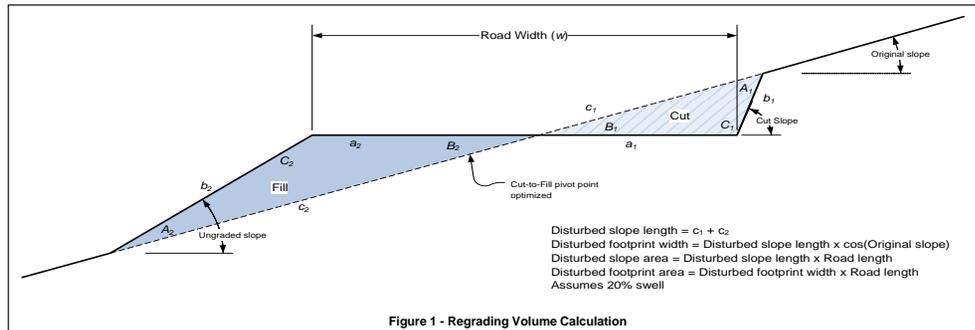
Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Roads & Pads - Calculations

#### Regrading Volume and Footprint Volume



Will not allow dozer for slopes greater than 30%  
 For dozer regrading push distance = road width  
 Assumes dozer push is uphill  
 Assumes minimum push distance of 100 ft

#### Ripping/Scarifying Calculations

Minimum 1 hr ripping/scarifying time per area  
 Number of passes = Final slope length ÷ Grader width  
 Travel distance = Number of passes x Road length  
 Total hours = (Travel distance ÷ Grader productivity) + (Number of passes x Grader maneuver time)  
 For dozer regrading assumes push distance = 3 x road width

#### Revegetation Calculations

Minimum of 1 acre crew time per area

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

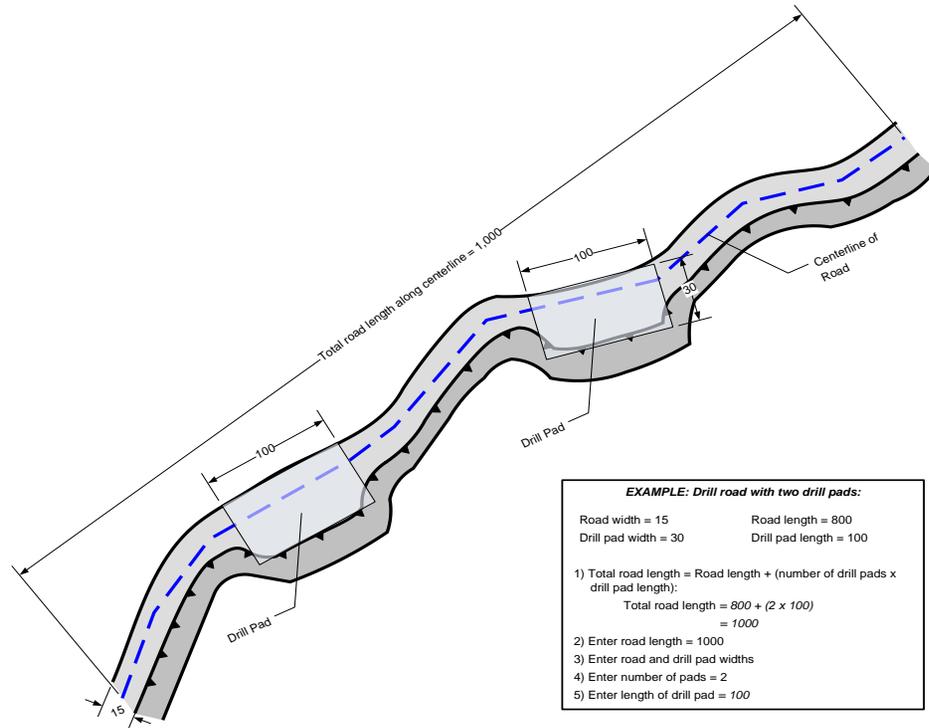
File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Inputting Exploration Roads and Drill Pads



#### EXAMPLE: Drill road with two drill pads:

Road width = 15      Road length = 800  
Drill pad width = 30      Drill pad length = 100

- 1) Total road length = Road length + (number of drill pads x drill pad length):  
Total road length =  $800 + (2 \times 100)$   
= 1000
- 2) Enter road length = 1000
- 3) Enter road and drill pad widths
- 4) Enter number of pads = 2
- 5) Enter length of drill pad = 100

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

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Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Roads & Pads - Regrading Costs

Description (required)	Total Road Length ft	Total Drill Pad Length ft	Regrading Volume cy	Recontouring Fleet	Equipment Productivity cy/hr	Total Equipment Hours <sup>(1)</sup> hr	Total Labor Cost \$	Total Equipment Cost \$	Total Regrading Cost \$
1 Proposed road, 5%	3,085	0	119	Med Excavator	187	1.0	\$62	\$74	\$136
2 Proposed road, 15%	9,232	0	1,197	Med Excavator	187	6.4	\$396	\$473	\$869
3 Proposed road, 25%	15,427	0	3,808	Med Excavator	187	20.4	\$1,262	\$1,509	\$2,771
4 Proposed road, 35%	17,714	0	7,141	Med Excavator	187	38.2	\$2,363	\$2,825	\$5,188
5 Proposed road, 45%	14,176	0	8,849	Med Excavator	187	47.3	\$2,926	\$3,498	\$6,424
6 Proposed road, 55%	7,511	0	7,254	Med Excavator	187	38.8	\$2,400	\$2,870	\$5,270
7 Proposed road, 65%	5,365	0	11,641	Med Excavator	187	62.3	\$3,853	\$4,608	\$8,461
8 Proposed site, 5%	0	980	515	Med Excavator	187	2.8	\$173	\$207	\$380
9 Proposed site, 15%	0	1,120	1,227	Med Excavator	187	6.6	\$408	\$488	\$896
10 Proposed site, 25%	0	2,450	4,477	Med Excavator	187	23.9	\$1,478	\$1,768	\$3,246
11 Proposed site, 35%	0	3,290	8,290	Med Excavator	187	44.3	\$2,740	\$3,276	\$6,016
12 Proposed site, 45%	0	2,590	10,107	Med Excavator	187	54.0	\$3,340	\$3,994	\$7,334
13 Proposed site, 55%	0	1,120	6,760	Med Excavator	187	36.1	\$2,233	\$2,670	\$4,903
14 Proposed site, 65%	0	420	5,696	Med Excavator	187	30.5	\$1,886	\$2,256	\$4,142
15 NOI road, <30%	2,534	0	328	Med Excavator	187	1.8	\$111	\$133	\$244
16 NOI pad, <30%	0	560	613	Med Excavator	187	3.3	\$204	\$244	\$448
17 NOI overland travel	1,453	0							
18 NOI road, >30%	0	0	0						
19 NOI Pad, >30%	0	140	353	Med Excavator	187	1.9	\$118	\$141	\$259
20 NOI overland site	0	1,750							
	76,497	14,420	78,375			419.6	\$25,953	\$31,034	\$56,987

(1) Includes walk-in time based on distance and travel speed (see Productivity sheet for speeds)

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

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Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Roads & Pads - Growth Media Costs

Description (required)	Growth Media Volume cy	Growth Media Replacement Fleet	Fleet Productivity LCY/hr	Number of Trucks/ Scrapers	Total Fleet Hours	Total Labor Cost \$	Total Equipment Cost \$	Total Growth Media Cost \$
0								
1 <i>Proposed road, 5%</i>	1,485	Scraper Dozer	1,047	1	1.4	\$255	\$793	\$1,048
2 <i>Proposed road, 15%</i>	4,787	Scraper Dozer	1,047	1	4.6	\$839	\$2,606	\$3,445
3 <i>Proposed road, 25%</i>	9,713	Scraper Dozer	1,047	1	9.3	\$1,696	\$5,268	\$6,964
4 <i>Proposed road, 35%</i>	13,121	Scraper Dozer	1,047	1	12.5	\$2,280	\$7,081	\$9,361
5 <i>Proposed road, 45%</i>	13,126	Scraper Dozer	1,047	1	12.5	\$2,280	\$7,081	\$9,361
6 <i>Proposed road, 55%</i>	9,458	Scraper Dozer	1,047	1	9.0	\$1,642	\$5,098	\$6,740
7 <i>Proposed road, 65%</i>	14,704	Scraper Dozer	1,047	1	14.0	\$2,553	\$7,931	\$10,484
8 <i>Proposed site, 5%</i>	1,161	Scraper Dozer	1,047	1	1.1	\$201	\$623	\$824
9 <i>Proposed site, 15%</i>	1,493	Scraper Dozer	1,047	1	1.4	\$255	\$793	\$1,048
10 <i>Proposed site, 25%</i>	3,811	Scraper Dozer	1,047	1	3.6	\$657	\$2,039	\$2,696
11 <i>Proposed site, 35%</i>	6,214	Scraper Dozer	1,047	1	5.9	\$1,076	\$3,342	\$4,418
12 <i>Proposed site, 45%</i>	6,043	Scraper Dozer	1,047	1	5.8	\$1,058	\$3,286	\$4,344
13 <i>Proposed site, 55%</i>	3,526	Scraper Dozer	1,047	1	3.4	\$620	\$1,926	\$2,546
14 <i>Proposed site, 65%</i>	2,862	Scraper Dozer	1,047	1	2.7	\$492	\$1,529	\$2,021
15 <i>NOI road, &lt;30%</i>	1,314	Scraper Dozer	1,047	1	1.3	\$237	\$736	\$973
16 <i>NOI pad, &lt;30%</i>	747	Scraper Dozer	1,047	1	1.0	\$182	\$566	\$748
17 <i>NOI overland travel</i>	646	Scraper Dozer	1,047	1	1.0	\$182	\$566	\$748
18 <i>NOI road, &gt;30%</i>	0							
19 <i>NOI Pad, &gt;30%</i>	264	Scraper Dozer	1,047	1	1.0	\$182	\$566	\$748
20 <i>NOI overland site</i>	1,944	Scraper Dozer	1,047	1	1.9	\$347	\$1,076	\$1,423
	96,419				93.4	\$17,034	\$52,906	\$69,940

## Bond Calculation Expl. Roads & Pads

Project Name: Kinsley Exploration Plan of Operations - Plan of Operations

Date of Submittal: 6/1/2012

File Name: Kinsley\_GH\_SRCE\_Version\_1\_1\_2.xlsm

Model Version: Version 1.1.2 (updated 03 February, 2008)

Cost Data: Standardized Data

Cost Data File: cost\_data-std-nv2011.xls

### Exploration Roads & Pads - Scarifying/Revegetation Costs

	Description (required)	Surface Area acres	Ripping Hours hrs	Ripping Equipment Cost \$	Ripping Labor Costs \$	Total Ripping Costs \$	Revegetation Labor Cost \$	Revegetation Equipment Cost \$	Revegetation Material Cost \$	Total Revegetation Cost \$
1	Proposed road, 5%	0.92	1.0	\$112	\$61	\$173	\$87	\$74	\$334	\$495
2	Proposed road, 15%	2.97	1.8	\$201	\$109	\$310	\$257	\$221	\$1,078	\$1,556
3	Proposed road, 25%	6.02	5.9	\$659	\$357	\$1,016	\$521	\$448	\$2,185	\$3,154
4	Proposed road, 35%	8.13	6.7	\$749	\$406	\$1,155	\$704	\$605	\$2,951	\$4,260
5	Proposed road, 45%	8.14	8.1	\$905	\$490	\$1,395	\$705	\$606	\$2,955	\$4,266
6	Proposed road, 55%	5.86	4.3	\$480	\$260	\$740	\$508	\$436	\$2,127	\$3,071
7	Proposed road, 65%	9.11	8.2	\$916	\$496	\$1,412	\$789	\$678	\$3,307	\$4,774
8	Proposed site, 5%	0.70	1.0	\$112	\$61	\$173	\$87	\$74	\$254	\$415
9	Proposed site, 15%	0.90	1.0	\$112	\$61	\$173	\$87	\$74	\$327	\$488
10	Proposed site, 25%	2.40	1.9	\$212	\$115	\$327	\$208	\$179	\$871	\$1,258
11	Proposed site, 35%	3.90	3.1	\$346	\$188	\$534	\$338	\$290	\$1,416	\$2,044
12	Proposed site, 45%	3.70	3.0	\$335	\$182	\$517	\$320	\$275	\$1,343	\$1,938
13	Proposed site, 55%	2.20	1.9	\$212	\$115	\$327	\$191	\$164	\$799	\$1,154
14	Proposed site, 65%	1.80	1.5	\$168	\$91	\$259	\$156	\$134	\$653	\$943
15	NOI road, <30%	0.81	1.0	\$112	\$61	\$173	\$87	\$74	\$294	\$455
16	NOI pad, <30%	0.50	1.0	\$112	\$61	\$173	\$87	\$74	\$182	\$343
17	NOI overland travel	0.40	1.0	\$112	\$61	\$173	\$87	\$74	\$145	\$306
18	NOI road, >30%	0.00	1.0	\$112	\$61	\$173				
19	NOI Pad, >30%	0.20	1.0	\$112	\$61	\$173	\$87	\$74	\$73	\$234
20	NOI overland site	1.20	1.0	\$112	\$61	\$173	\$104	\$89	\$436	\$629
		59.86	55.4	\$6,191	\$3,358	\$9,549	\$5,407	\$4,646	\$21,730	\$31,783

**Bond Calculation  
Expl. Roads & Pads**



**Bond Calculation  
Expl. Roads & Pads**

**Bond Calculation  
Expl. Roads & Pads**

**Bond Calculation  
Expl. Roads & Pads**

**Bond Calculation**  
**Expl. Roads & Pads**

**Bond Calculation  
Expl. Roads & Pads**

**Bond Calculation  
Expl. Roads & Pads**

## **Appendix D: Spill Prevention Plan**

**Kinsley Exploration Project  
Pilot Gold (USA) Inc.  
Elko County, Nevada  
Spill Prevention Plan**

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## **1 Objectives**

The purpose of this Spill Prevention Plan (Plan) is as follows:

- To identify all pollutant sources that may exist within the Kinsley Exploration Project Area.
- To identify Best Management Practices (BMPs) to prevent or reduce the quantity of potential pollutants discharged to the ground or surface water in order to minimize environmental impacts during and after the exploration project.

## **2 Availability**

A copy of this Plan shall be attached to the Project's Exploration Operating Plan, along with the Material Safety Data Sheets (MSDS) (Attachment 1) of all products used on-site for vehicle maintenance or the exploration program and identified BMPs (Attachment 2). All contractors are responsible for familiarizing their personnel with the information pertaining to BMPs and spill prevention.

## **3 Preventive maintenance**

Good housekeeping practices will be followed on-site during the exploration Project:

- An effort will be made to store only enough product required to do the job.
- All materials stored on-site will be stored in a neat, orderly manner in their appropriate containers and, if possible, under a roof or other enclosure.
- Products will be kept in their original containers with the original manufacturer's label.
- Manufacturers' recommendations for proper use and disposal will be followed.
- The Project Manager will inspect daily to insure proper use and disposal of materials on-site.

The contractor shall have a vehicle preventive maintenance program to insure that all vehicles are operating under optimum conditions and all hoses and fittings are in good condition and leak free. It is the responsibility of the operator, mechanic, tool pusher or other designee, to execute the repairs or preventive maintenance and complete any reporting required. Assignment for repair when equipment is in a remote location may be issued verbally by field superintendent or district manager.

## 4 Source identification

### 4.1 Pollutants

Potential sources of pollutants from drilling rigs, service vehicles, and other equipment includes oil, fuel, and lubricating grease. Additional sources of pollutants may include drilling fluids (mud and foam), borehole plugging materials, solvents, trash and other debris. These pollutants are not expected to come into contact with on-site soils or surface waters; however, BMPs shall be utilized to prevent potential release of contaminants.

### 4.2 Construction Debris

To minimize impacts during precipitation events, trash bins shall be regularly inspected for leaks.

### 4.3 Spill Contingency Plan (GM-6)

Materials and equipment necessary for spill cleanup will be kept in the material storage area on-site. Equipment and materials will include but not be limited to brooms, dust pans, mops, rags, gloves, goggles, sorbent materials, sand, sawdust, and plastic and metal trash containers specifically for this purpose.

Well-maintained equipment will be used to perform the work, and when practicable, equipment maintenance will be performed offsite. In the event of oil, fuel, and lubricating grease leaks, cleanup will be conducted as soon as possible. If the leak is on pavement or a compacted surface, an oil absorbing product such as Absorb® will be applied. Once the clean up product has absorbed the leak, it will be swept up into watertight drums or bins, and disposed of according to federal, state, or local regulations. If the leak occurs on soil, the contaminated soil will be removed and disposed of according to federal, state, or local regulations. In the event of a major spill the following actions should be taken, in addition to any federal, state, and local health and safety regulations:

1. Contain the spread or migration of the spill, using on-hand supply of erosion control structures and/or by creating dirt berms, as feasible and necessary. Also utilize the materials and equipment stored on-site to control the spill.
2. Notify the Environmental or Project Manager immediately.
3. Within 24 hours of an identified spill, the site manager or a designated representative will notify the following local and state agencies:

Agency	Phone number
Bureau of Land Management, Wells Field Office	(775) 753-0200
Nevada Division of Environmental Protection	(775) 687-4670
Emergency Response Hotline	(888) 331-6337

In case of an emergency, relevant phone numbers are provided below:

Agency	Phone Number
All Emergency Calls	911

<b>Agency</b>	<b>Phone Number</b>
<b>Nevada Highway Patrol: West Wendover</b>	(775) 664-3355
<b>Nevada Highway Patrol: Wells</b>	(775) 752-3235
<b>Elko County Sheriff's Office</b>	(775) 738-3421
<b>West Wendover Fire Dept.</b>	(775) 664-2274
<b>Wildland Fire Reporting</b>	(800) 438-8160
<b>Summit Air Ambulance, Elko</b>	(775) 738-3493
<b>Northeastern Nevada Regional Hospital, Elko</b>	(775) 738-5151
<b>Wells Rural Medical Clinic</b>	(775) 752-3322
<b>Wendover Community Health Center</b>	(775) 664-2220

4. This Plan will be adjusted to include measures to prevent this type of spill from reoccurring and how to clean up the spill if there is another one. A description of the spill, what caused it, and the cleanup measures will also be included.

#### 4.4 Best Management Practices

During construction, water will be used for dust control, mixing of grout, and cleanup. Water used for dust control will be sprayed over the ground at a rate which will moisten the soil but not cause runoff.

It is the responsibility of the contractor to define equipment staging areas to minimize footprint impacts, and to prevent impacts to water courses and other sensitive areas.

The contractor is responsible for maintaining water-tight trash bins or dumpsters in the Project Area to minimize leakage to ground surface. Contractors will be responsible for maintaining contained areas for concrete wash-out and properly disposing of concrete, if used.

The Project Supervisor shall at all times properly operate and maintain any facilities and systems of treatment and control (and related appurtenances).

The following BMPs will be utilized as appropriate, and copies of each BMP are included in Attachment 2 (Kennedy/Jenks Consultants 2008):

- Spill Prevention and Control (GM-6)
- Vehicle and Equipment Maintenance and Fueling (GM-8)
- Material Delivery, Handling, Storage and Use (GM-10)
- Liquid Waste Management (GM-13)
- Hazardous Waste Management (GM-17)

## Material Safety Data Sheets

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Drilling Fluid Additives and Lubricants, Provided by M-I SWACO, A Schlumberger Company, P.O. Box 368, Carlin, NV 89822, (775) 754-6880

1. Calcium Chloride Solid
2. Calseal W60
3. Cedar Fiber
4. D-D (Drilling detergent)
5. Drilling Paper
6. Kla-Gard
7. Kwik-Plug
8. Magma Fiber
9. Max Gel
10. Mix All
11. My-Lo-Jel
12. Platinum Foam Plus
13. Platinum Pac
14. Platinum Rod Coat
15. Platinum Rod Ease
16. Polypac R
17. Poly-Plus 2000
18. Poly-Plus EHV
19. Poly-Plus LV
20. Polyswell
21. Portland Cement
22. Ringfree
23. Rod Coat B 700
24. Rod Ease
25. Soda Ash
26. Super Plug
27. Tackle
28. Tube Lube

Hydrocarbons, provided by Major Drilling America Inc., 2200 South 4000 West, Salt Lake City, UT 84120, (801) 974-0645.

1. All-clear Soda Ash
2. Anti-Seize Lubricant
3. Automatic Transmission Fluid
4. Brakleen® Brake Parts Cleaner (aerosol)
5. Canola Diesel-Hammer fuel

6. Chevron and Texaco Regular Unleaded Gasolines
7. Coppercoat Base
8. Diesel Fuel (all types)
9. Easy-Clean Rig Wash
10. Gojo Orange Pumice Hand Cleaner
11. Howes Lubricator Diesel Treat
12. Loctite Threadlocker Blue 242
13. Max Gel
14. Mobil Permazone Antifreeze & Coolant
15. NAPA Premium Starting Fluid
16. Platinum Foam Plus
17. Polar Antifreeze
18. Poly-plus
19. Polyswell
20. Portland Cement
21. Purple powder
22. Star brite AW 68 Hydraulic Oil
23. Super Plug
24. Unocal Guardol 15W/40
25. WD-40
26. Windshield Washer Anti-freeze

Section 311/312 Hazard Class - 40 CFR 370.2  
Immediate(X) Delayed(X) Fire(X) Reactive( ) Sudden  
Release of Pressure( )

SARA 313 Components - 40 CFR 372.65

Section 313 Component(s) CAS Number

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METHANOL 67-56-1  
International Regulations  
Inventory Status  
Not determined  
State and Local Regulations  
California Proposition 65  
None

MATERIAL SAFETY DATA SHEET

The Valvoline Company Page 010

Date Prepared: 01/14/02

Date Printed: 09/03/03

MSDS No: 503.0177220-001.012

WINDSHIELD WASHER ANTI-FREEZE

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New Jersey RTK Label Information  
METHYL ALCOHOL 67-56-1  
Pennsylvania RTK Label Information  
METHANOL 67-56-1

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16. OTHER INFORMATION

The information accumulated herein is believed to be accurate but is not warranted to be whether originating with the company or not. Recipients are advised to confirm in advance of need that the information is current, applicable, and suitable to their circumstances.