



Dam Safety Section

TRIP REPORT

TO: Jeff Peppersack
CC: Nick Miller, Tim Luke, Shelley Keen
FROM: John Falk, Dam Safety Manager
DATE: September 18, 2015
SUBJECT: Proposed Stibnite Gold Project

Basin 77, Valley County

Per invitation, IDWR personnel traveled to the Stibnite Mining District to participate in a scheduled tour provided by Midas Gold, Inc, owner of the proposed Golden Meadows Mine Project. The weather was cool and cloudy with rain and snow showers. Others attendees included representatives from Idaho Lands, DEQ, Soil & Conservation Commission and the USFS. The general area occupies several sections in T18N/ R9E, as illustrated on the attached USGS- 7.5' Stibnite Quadrangle map (Figure 1). The area includes both patented and unpatented lands contained in the Boise National Forest and within the East-South Fork of the Salmon River watershed.

The tour included stops at the top of stacked materials (rock w/fines) associated with the former heap-leach gold operations at/near Hangar Flats and the top of the Soda Pile (former tailings disposal site) located upstream from the confluence of Meadow Creek and "Blowout" Creek (aka E. Fork Meadow Creek). The final stop was the overlook into the Yellow Pine Pit (aka Bradley Pit) located immediately upstream from the Sugar Creek/ East-South Fork Salmon River confluence. Due to generally inclement weather, the tour spent much of the time in the mine office listening to presentations by Midas representatives explaining their proposed plans and their standing in the overall permitting and approval process. Midas presented a 3-D scale model of the existing site to the group to assist with identification of existing features and our understanding of proposed mining chronology. The attached photos identify some of existing site features.

As reported by Midas, numerous *Baseline Studies* were initiated 2-3 years ago and have continued present-tense. Submittal of a *Plan of Operation* to the USFS by the end of the year is a Midas objective; however, not a time-stated requirement. This accomplishment will then authorize the USFS to select a contractor to begin preparation of an *Environmental Impact Statement* (EIS). Only after the EIS Record of Approval has been issued can Midas proceed with any mining activities. Midas expects that data collected from the on-going baseline studies will be incorporated in the EIS; the preparation of which may take 3-5 years. To date, subsurface exploration has occurred on private (patented) land; future exploration activities on federal (unpatented) lands will proceed under separate regulatory permissions; i.e. *Environmental Assessment Report*.

Activities that will directly affect IDWR responsibilities and duties include design and construction of the proposed mine tailings impoundment structure (MTIS) on Meadow Creek (**Dam Safety**), diversion and beneficial use of both surface and groundwater (Water Rights), well drilling (**Ground Water**) and modifications to existing surface water drainage (**Stream Channel Alteration**). To ensure proper site reclamation, a bond will be required conditional to Midas receiving design approval for construction of the anticipated 400' tall MTIS. Another role in which IDWR may become involved is actively participating in the state's Interagency Joint Review Process (JRP). IDWR may soon be asked to assign an individual to represent the agency in the JRP, and perhaps consideration should be given now as to whom a good member candidate would be.

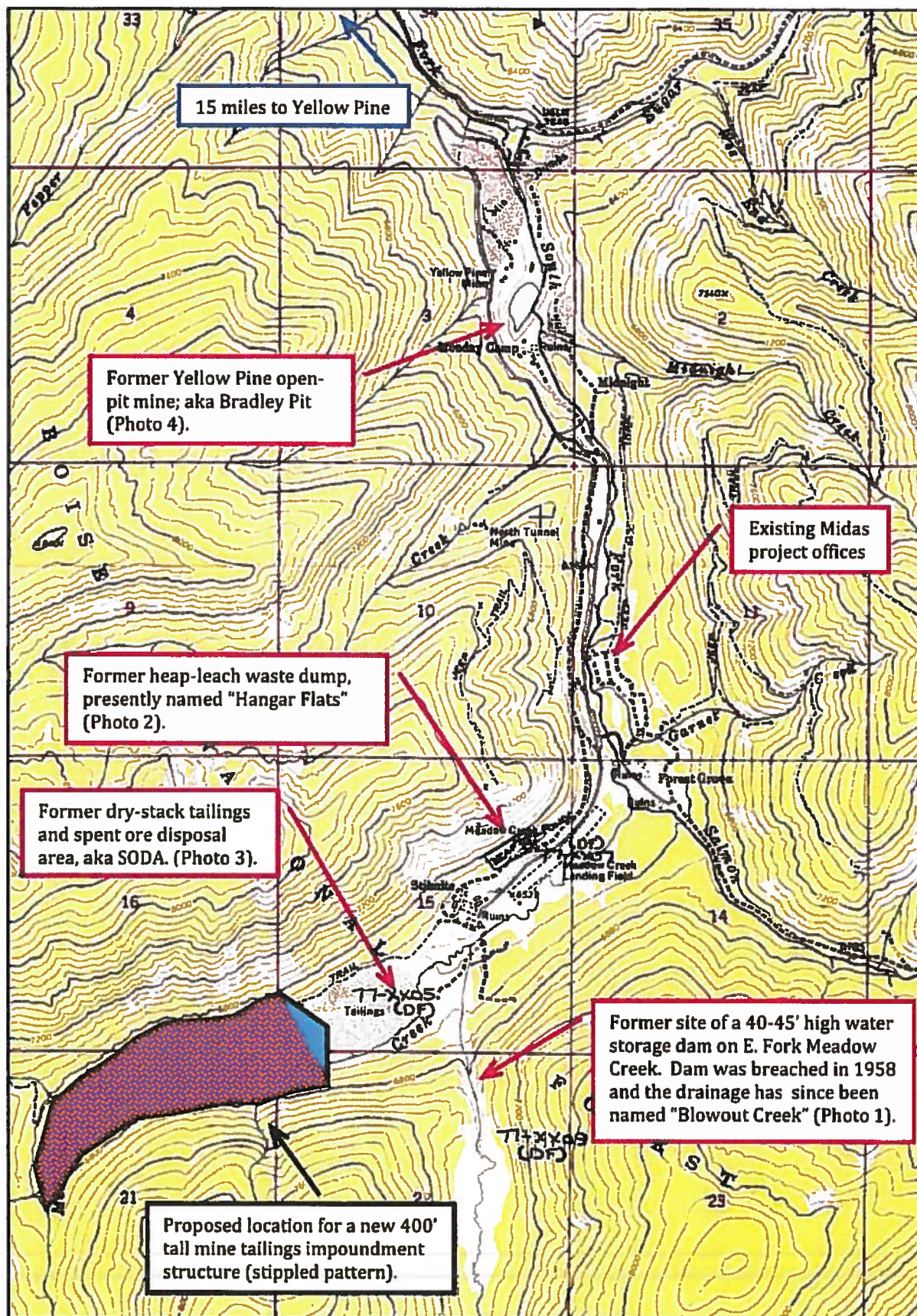


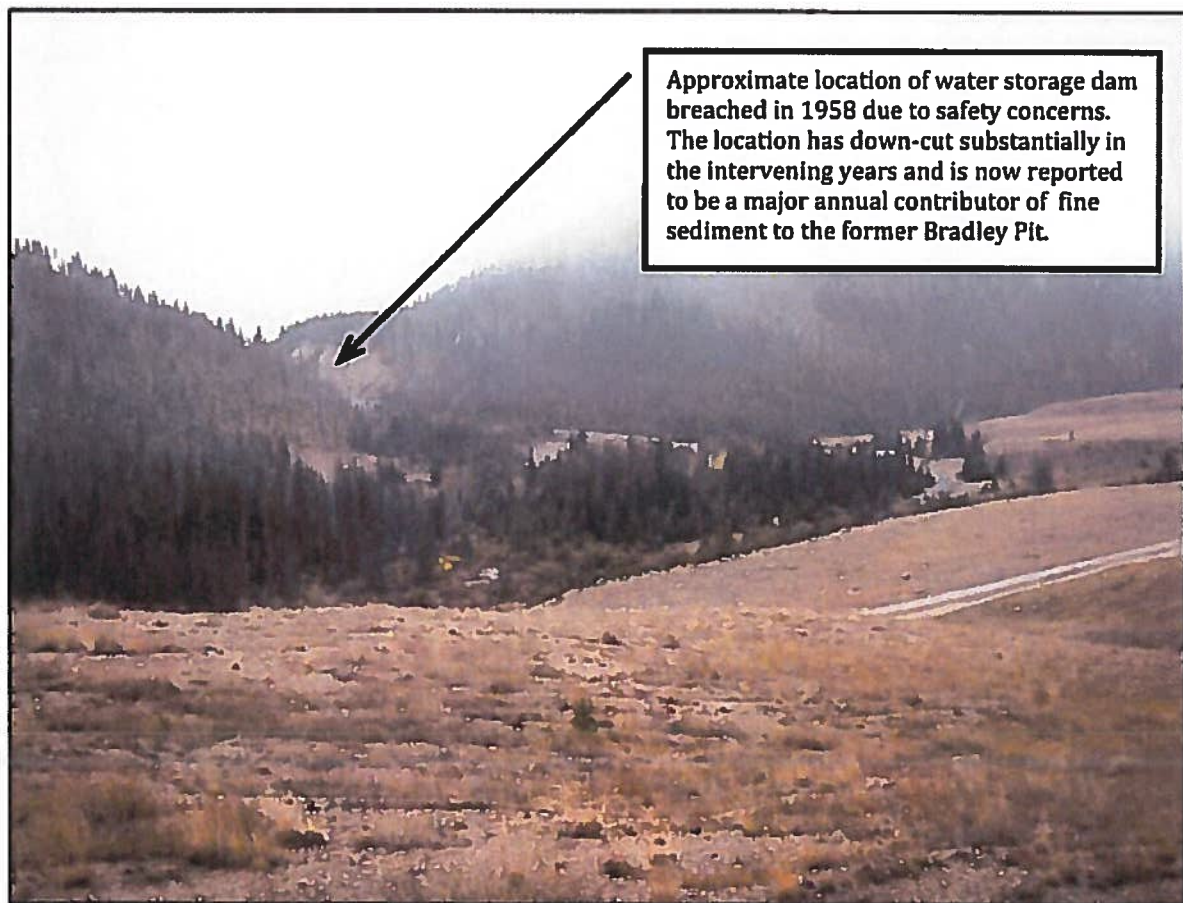
Figure 1 - Reprint from USGS 7.5' Stibnite Quadrangle Map; contour interval = 80 feet.



Reservoir (1950)

photo provided by James Collord, photographer unknown

Photo 1a - Former water storage reservoir located on the East Fork Meadow Creek , aka Blowout Creek (photo courtesy Midas, Inc).



Approximate location of water storage dam
breached in 1958 due to safety concerns.
The location has down-cut substantially in
the intervening years and is now reported
to be a major annual contributor of fine
sediment to the former Bradley Pit.

Photo 1b - Reverse view of above showing the location of the former water storage dam.

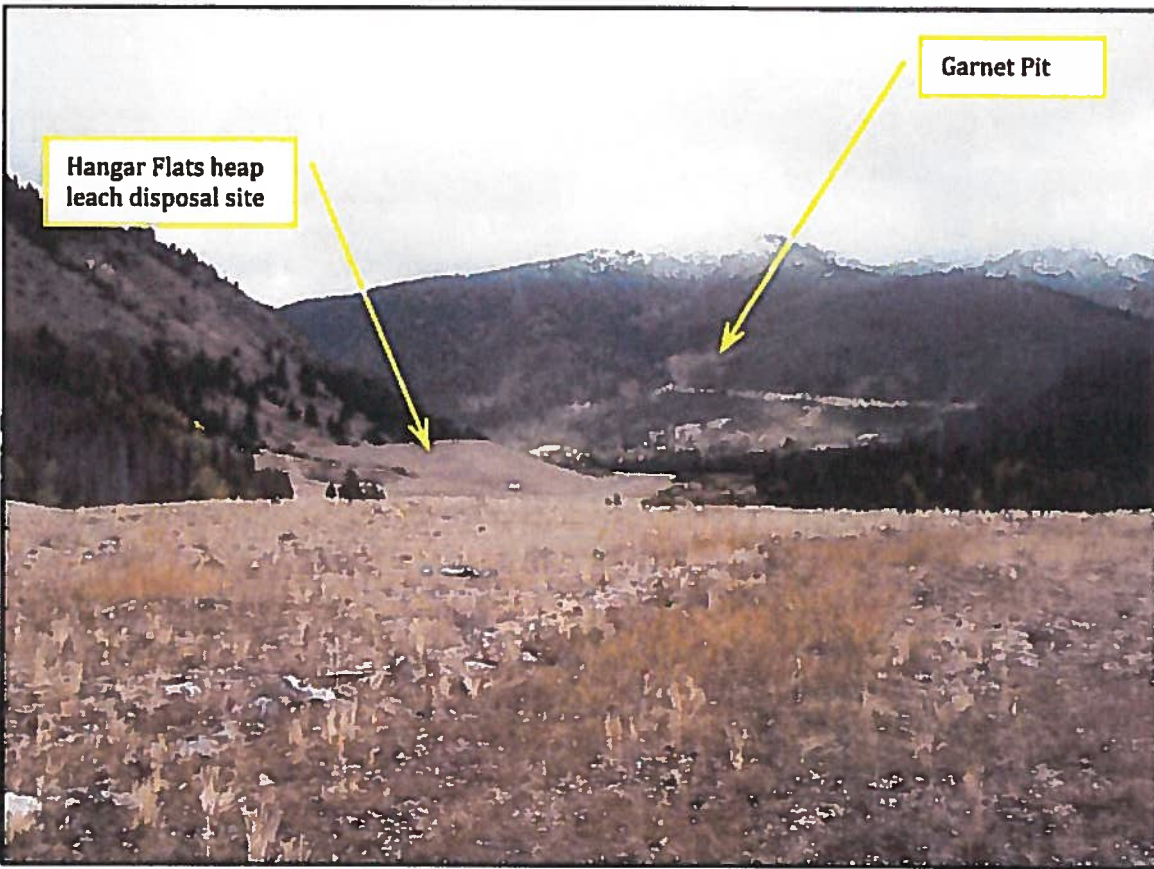


Photo 2 - View looking down the valley (NE) at Hangar Flats and former Garnet Pit.

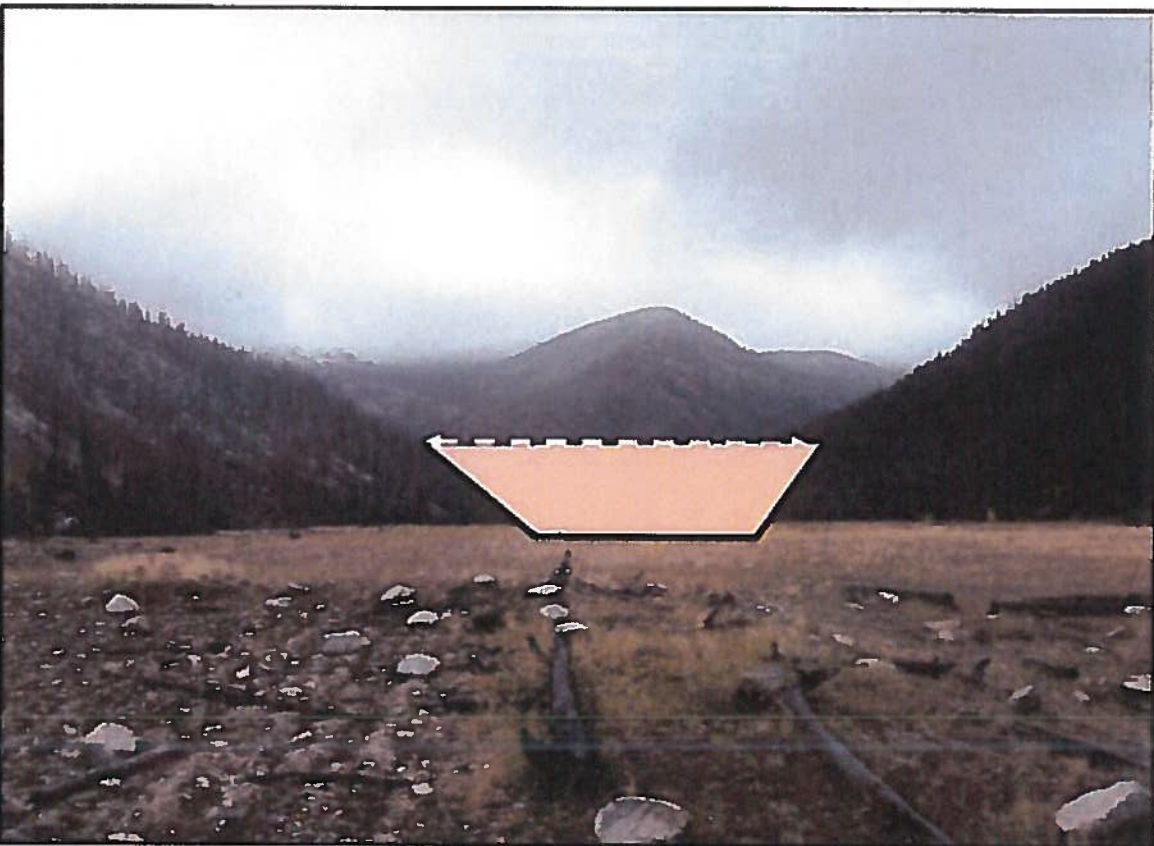
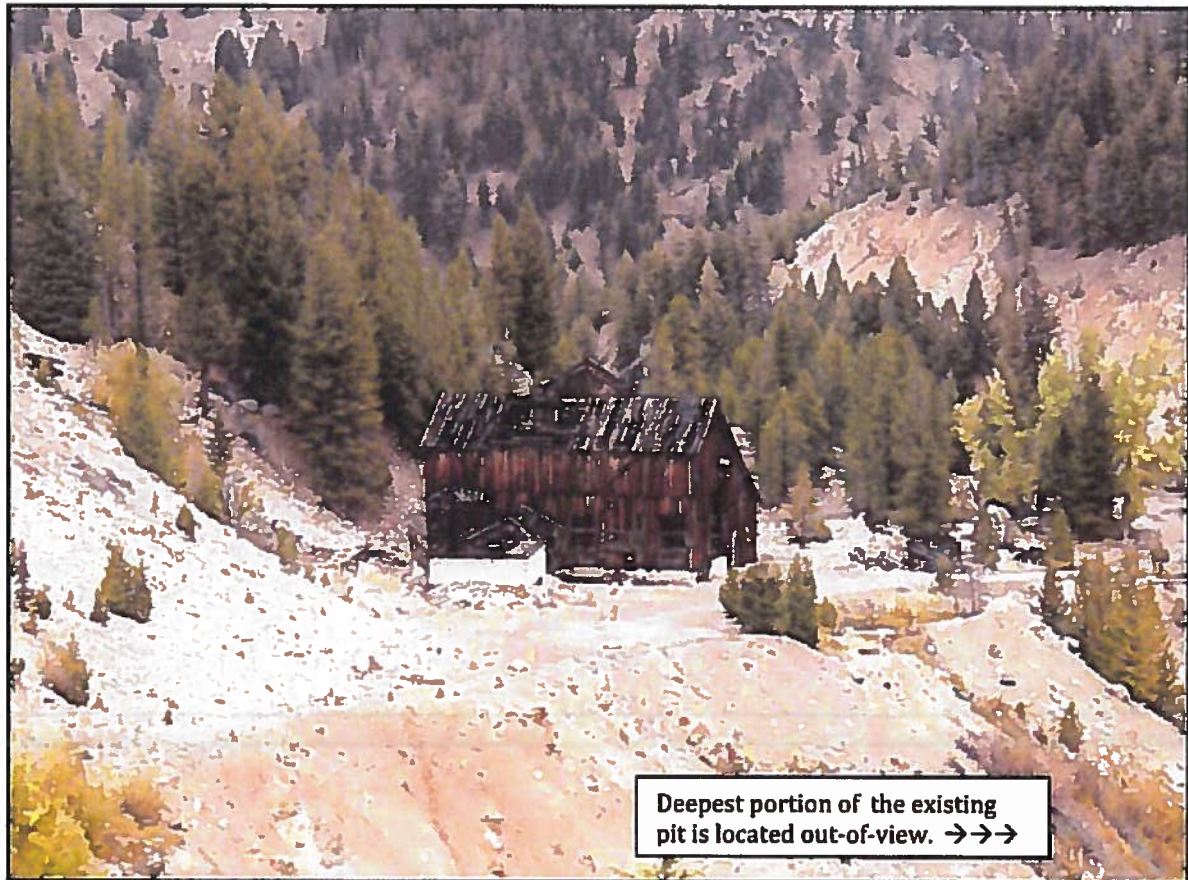


Photo 3 - View from the top of the SODA stack (foreground), looking upstream toward the proposed location of the new ~400-foot tall mine tailings impoundment structure.



Yellow Pine Pit (c.1950)

Photo 4a - Bradley Pit Tipple then (photo courtesy Midas, Inc.)



Deepest portion of the existing
pit is located out-of-view. →→→

Photo 4b - Similar view today (9/17/2015).