File Code: 1570 (218)

Date: Monday June 22, 2020

CERTIFIED-RETURN RECEIPT REQUESTED

Mr. Josh Johnson Idaho Conservation League PO Box 2671, Ketchum, ID 83340

Mr. Nic Nelson Idaho Rivers United 3380 W. Americana Terrace STE 140 Boise, ID 83706

Mr. Eric Willadsen Idaho Chapter Sierra Club 503 W Franklin Road Boise, ID 83702

Re: Newcrest Objection Number 20-04-17-0039-218

Dear Sirs:

This letter is in response to the Idaho Conservation League (ICL), Idaho Rivers United, and Idaho Chapter Sierra Club letter dated May 22, 2020 objecting to the April 2020 Newcrest Resources Inc. (Newcrest) Jarbidge Exploration Project Environmental Assessment (EA) and Draft Decision Notice and Finding of No Significant Impact (DN/FONSI) issued by the U.S. Forest Service Humboldt-Toiyabe National Forest (Forest Service) Mountain City, Ruby Mountains, and Jarbidge Ranger District (MCRMJ). District Ranger Joshua Nicholes is the responsible official for the project. I am the objection reviewing officer.

I have read your objection and have reviewed the EA and draft DN/FONSI, along with documentation in the project record. This letter is my written response to your objection and satisfies the requirements of 36 CFR 218.11, Resolution of Objections.

As provided in 36 CFR 218.11 (a) and per your request in your objection to meet with the responsible official and Objection Reviewing Officer, resolution conference calls were held on June 9 and June 12, 2020 to resolve your objection issues. Participants in the June 12 meeting included the following: Josh Johnson and Randy Fox representing ICL; Reese Hodges representing Idaho Rivers United; Quinn Smith, James Perry and Jeff Welborn representing Newcrest; and William Dunkelberger (Forest Supervisor, Objection Reviewing Officer), Cheva Gabor (Acting Deputy Forest Supervisor) and Josh Nicholes (District Ranger) representing the Forest Service.





Based on our resolution discussion, the Forest Service proposes to make the following additions to the Final Decision Notice.

The Forest Service will:

- 1. Reduce the scope and duration of the Project by making a Final Decision to approve only project activities described under Phase 1 for a duration of up to six operating seasons. Newcrest will inform the Forest Service annually on its decision to continue with another operating season. The rationale in the Forest Service Decision Notice will reflect that approving only Phase 1 will minimize overall impacts to resources and mitigate concerns regarding Bull Trout and their potential susceptibility to climate change over a longer term.
- 2. Follow, and require Newcrest to follow, all terms and conditions in the U.S. Fish and Wildlife Service Biological Opinion. In addition, the Forest Service will adopt, and require Newcrest to implement, those conservation recommendations in the Biological Opinion consultation package that the Forest Service determines, after consultation with Newcrest, (i) would minimize or avoid adverse effects of the project and (ii) are reasonably and economically practicable for implementation by Newcrest in the context of Phase 1 of the project.
- 3. Make the following documents available to the public: the water quality/quantity monthly and quarterly monitoring data reports described below, aquatic organism passage (AOP) benefit analysis described in item 4 below, borehole abandonment logs and annual Forest Service documentation regarding reclamation as outlined in the plan of operation by posting annually on the publicly available project web page by the end of each calendar year of operation.
- 4. Conduct a benefit analysis for the proposed AOP in Upper Jenny Creek to determine if there is greater conservation value to Bull Trout and its critical habitat from permanent AOP placement compared to the proposed temporary AOP placement and end-of-project removal. The Forest Service will require Newcrest to install traffic monitoring devices at existing unimproved stream crossings at Jack, Jenny and Deer Creeks to gain a better understanding of road use. Prior to final reclamation under the Plan of Operations, the Forest Service will coordinate with appropriate agencies to evaluate whether a temporary or permanent AOP would be most beneficial.
- 5. Facilitate a conversation between the Objectors and Nevada Department of Wildlife (NDOW) to discuss additional eDNA population monitoring work that could be conducted to benefit Bull Trout and its critical habitat. Upon request from the Forest Service or Objectors, Newcrest will provide site access and its cooperation to facilitate the eDNA population monitoring work.
- 6. Require Newcrest to develop, using the project "Air Quality Emissions Inventory and Visibility" and "Stormwater Pollution and Prevention Plan" data, a project transportation plan. The project transportation plan will be designed to minimize the number of vehicle stream crossing trips on existing, improved, and new roads as proposed in Phase 1 to reduce sediment impacts to Bull Trout and its critical habitat. The transportation plan will

- limit the crossing of Deer Creek, an intermittent stream, to one location and Deer Creek will be crossed only when no water flow is present at the crossing. Prior to project implementation, the Forest Service will require Newcrest to submit a transportation plan.
- 7. Require Newcrest to install one LISST-AOBS Super-Turbidity telemetry monitoring station in the Deer Creek drainage (similar to those proposed for the Jenny/Jack Creek area) prior to beginning work in that area to monitor sediment within the stream. Deer Creek monitoring stations would remain in place for the life of the project.
- 8. Require Newcrest during the operating season to conduct monthly water quality and quantity monitoring of all creeks, seeps and springs within the particular catchment area where drilling is occurring. Seeps and springs will be identified in the springtime during estimated peak flows since some may flow intermittently. All identified springs in the catchment area where drilling is occurring will be surveyed and recorded on a map by Newcrest. When drilling moves to a new catchment area, identification and mapping of seeps and springs for that area will be required. Newcrest will submit the collected data from NFS lands to the Forest Service on a monthly basis. Newcrest will continue to provide quarterly water sampling data from the existing sample sites on NFS lands to the Forest Service.
- 9. Require Newcrest to report water quality data according to BMRR Profile 1 and NAC-445A guidelines. Concentration thresholds will be location specific and time bound. Concentration thresholds will be set according to NAC-445A guidelines. Additional water quality parameters based on background monitoring over two operating seasons will be developed by Newcrest. Newcrest will adhere to the stream sediment thresholds and mitigation measures recommended by the U.S. Fish and Wildlife Service (USFWS) in the Biological Opinion. If a water quality parameter threshold is exceeded the Forest Service will require notification and will conduct an investigation of the exceedance with the cooperation of Newcrest within 30 days. If the Forest Service determines that the exceedance is above seasonal background and is the result of project exploration activities, then Newcrest will be required to develop and implement a mitigation plan that could include BMPs or design features to reduce sediment movement as described in the plan of operations.
- 10. Newcrest will be required to collect information on the background conditions of groundwater, including the presence and elevation of ground water in each drill hole. Background data collection methods could include the use of grouted piezometers, and groundwater sampling from within strategically located exploration drill holes where the water table is encountered. After the collection of background data in the first two operating seasons, Newcrest will develop a groundwater monitoring program outlining the location of groundwater monitor wells for installation during the third operating season. Monitoring, groundwater sampling, and reporting will be coordinated with NDEP-BMRR and the Forest Service. If routine, scheduled monitoring detects abnormal deviation from background and the Forest Service determines that the deviation may be the result of project exploration activities, Newcrest will consult with NDEP-BMRR and the Forest Service to determine if and where additional groundwater monitoring and investigation is needed.

If you are in agreement to withdraw your objection, waive and relinquish any and all legal rights to challenge the Final Decision Notice, Finding of No Significant Impact (DN/FONSI) if the above commitments are incorporated into the Final Decision Notice, please notify me officially in writing at the above mailing address and via email at william.dunkelberger@usda.gov as soon as possible. We greatly appreciate your time to meet with us and discuss your objection issues, possible remedies and resolution. We sincerely hope we have addressed your concerns. If you have any questions or need additional information, please contact me by email or at (775) 720-9963.

Sincerely,

WILLIAM A. DUNKELBERGER

Forest Supervisor and Objection Reviewing Officer

Electronic CC: ICL: Josh Johnson, Randy Fox; Forest Service: Joshua Nicholes, Kathryn Conant, Pete Gomben, Amy Barker, Susan Elliott