

DECISION RECORD

GOLDEN VERTEX CORP. PHASE III MOSS MINE EXPANSION AND EXPLORATION PROJECT MOHAVE COUNTY, ARIZONA

Environmental Assessment DOI-BLM-AZ-C010-2019-0033-EA

INTRODUCTION/BACKGROUND:

The Moss Vein was discovered in 1863 by John Moss (1839–1880), who was shown its location by his good friend Chief Irataba (c. 1814–1874) of the Pipa Aha Macav people (Malach 1977). The location was a known and named place for the Pipa Aha Macav. At the time, it was reported to be the first major gold discovery in Mohave County. Available records show that John Moss sold the Moss Lode to Dahrean Black, and that it was later sold to the Gold Giant Mining and Milling Company of Los Angeles. The Ruth Vein was subsequently discovered and developed (Malach 1977). The Moss Mine is reported to have produced approximately 12,000 ounces of gold until it was closed in 1866 (Durning and Buchanan 1984).

Golden Vertex Corp. (GVC) activities to date have mainly focused on the exploration and exploitation of the Moss Vein and associated stockworks that contain gold and silver mineralization of interest. The target mineralization is contained within a central area of 15 patented lode claims (consisting of 254 acres), as well as east and west of the patented claims, which occurs on Bureau of Land Management (BLM)-managed lands. From 2013 to 2014, GVC's primary focus was on its Phase I Pilot Plant activities that comprised open pit mining, on-site heap leaching, and processing of a 125,000-ton bulk sample of Moss Vein mineralized material, with off-site carbon stripping and doré bar production. All Phase I activities were completed during the fourth quarter of 2014.

The second phase, or Phase II in GVC literature, was the subject of a 2015 feasibility study (Stone et al. 2015) filed on the System for Electronic Document Analysis and Retrieval, Canada. Phase II involves the mining and processing of ores wholly contained within the patented land boundaries that could be mined and processed without encroaching on federal lands. Subsequent to the 2015 feasibility study, GVC received the necessary permits and regulatory approvals, along with financing, to allow construction to proceed. Phase II encompasses mining, crushing, agglomeration, and stacking of ore onto a conventional heap leach pad. Phase II gold and silver recovery from the leach solution is being achieved by a Merrill-Crowe process to produce doré bars at the mine. The Phase II mine was designed to have a five-year mine life at a projected mining rate of 5,500 tons per day. GVC currently anticipates that capacity at the Phase II barren rock stockpile would be exceeded by March 2020, which would necessitate the expansion of the existing barren rock stockpile onto federal lands. Phase II construction activities were completed in 2017 and the mine declared commercial production effective September 1, 2018.

PUBLIC INVOLVEMENT:

Public scoping for the proposed action was conducted from August 26 to September 14, 2019. The BLM initiated the public scoping process for the proposed action on August 26, 2019, by publishing a press release in several newspapers and mailing a scoping notice to a mailing list of interested persons, organizations, and government agencies. BLM established a 20-day period for submitting scoping comments, ending on September 14, 2019. A public meeting was held during the scoping

period at the Laughlin Ranch Golf Club, Bullhead City, Arizona, on August 29, 2019. Forty people attended the meeting. Forty-two comments were received during the public scoping period.

Tribal consultation letters for the proposed Moss Mine Expansion and Exploration Project were issued by BLM to potentially affected tribes on July 12, 2019. The Fort Mohave Indian Tribe and Hualapai Tribe requested formal consultation on this project. On November 26, 2019, the Kingman Field Manager and Archaeologist joined representatives of the AhaMakav Cultural Society and Fort Mojave Indian Tribe on a field visit to a location proximate to the project, and of cultural importance to the Fort Mohave Indian Tribe. Beginning with the issuance of Tribal consultation invitation letters, and in compliance with Section 106 of the National Historic Preservation Act, BLM has been consulting with tribes as appropriate for this effort.

The environmental assessment (EA) was placed on the project webpage for a public comment and review period from December 10, 2019 through January 10, 2020. During the comment period a press release was published in local media outlets, mail and email notification of the comment period was sent to 42 individuals that requested to be on the mailing list. Cooperating Agencies were also informed of the EAs availability for comment and review. The EA and supporting appendices were placed on the project webpage. Comment letters were received from 55 different individuals, state agencies, non-governmental organizations and Tribes. Minor changes were made to the EA in response to the comments received. None of the changes were considered substantive. The comments and responses are provided in Appendix L of the Final EA.

LAND USE PLAN CONFORMANCE:

The proposed action is located within the administrative boundaries of the BLM, Colorado River District, specifically, within the boundaries of the Kingman Field Office and the Lake Havasu Field Office. The action is in conformance with the applicable plans as follows:

Kingman Resource Area Resource Management Plan, Record of Decision March 1995

Page 1, Record of Decision, Minerals: “Minerals Subject to NEPA review, approximately 1,555,000 acres of federal minerals will be open to locatable mineral exploration and development, mineral materials sales, and mineral leasing.”

Lake Havasu Field Office Resource Management Plan, Record of Decision/Approved Resource Management Plan May 2007

Page 42, Locatable Minerals: “The RFD [Reasonably Foreseeable Development] for locatable minerals will be three to five new exploration level notices submitted per year for 20 years that will disturb a maximum of 5 acres per notice. There will be 5 to 10 new small locatable mineral operations developed over the life of the plan, which will disturb approximately 20 acres at each operation. There may be one large mine that may disturb 200 to 300 acres. The total estimated disturbance related to new mining exploration and operations over the life of the plan is 1,000 acres.”

Page 44, Locatable Minerals: “Monitoring minerals activities consists of periodic field inspections that ensure compliance with applicable laws, regulations, and site-specific authorizations. Findings for each inspection are documented and placed in the case file. The number of sites inspected and the number of sites in compliance will be reported in the Annual Planning Update Report and Summary.”

AUTHORITY:

The proposed action is in conformance with the Federal Land Policy and Management Act of 1976, the Kingman Resource Area Resource Management Plan Record of Decision approved in March 1995, the Lake Havasu Field Office Resource Management Plan Record of Decision/Approved Resource Management Plan approved in May 2007, the regulations at 43 Code of Federal Regulations §3809 and §3715, and with current BLM policies, plans and programs. The proposed action is consistent in relationship to statutes, regulations and policies of neighboring local, County, State, Tribal governments and other Federal agencies.

RATIONALE:

Upon analyzing the impacts of the proposed action and following issuance of the EA for public review, I have determined that implementing the proposed action as described in Chapter 2 of the EA with incorporated environmental protection measures (as described in Appendix C of the EA) will not have a significant impact to the human environment and that an Environmental Impact Statement is not required. The rationale in the attached Finding of No Significant Impacts supports this decision. This decision is consistent with the 1995 Kingman Resource Area Resource Management Plan, Record of Decision and the 2007 Lake Havasu Field Office Resource Management Plan Record of Decision/Approved Resource Management Plan.

DECISION:

Based on the analysis in the Mine Plan of Operations for the Phase III Moss Mine Expansion and Exploration Project EA, EA# DOI-BLM-AZ-C010-2019-0033-EA, and after carefully considering comments and input received during scoping and public review of the document, it is my decision to:

1. Approve the proposed action, as summarized below and described in detail in the Mine Plan of Operations with the identified applicant committed environmental protection measures (described in Appendix C of the EA) and in Chapter 2 of the EA document. This management decision for the Moss Mine Expansion and Exploration Project is issued pursuant to the regulations found at Title 43 Code of Federal Regulations §3809 and §3715.

The proposed action consists of an expansion of mining operations (including exploration activities) associated with Moss Mine onto BLM-managed lands. The proposed action includes the following:

- Proposed expanded heap leach pad, access road, power line extension, and buffer area;
- Proposed process solution ponds;
- Proposed expanded existing open pit and new open pit;
- Proposed barren rock stockpiles, haul roads, and buffer areas;
- Proposed maintenance shop and office complex, assay lab, and core shack;
- Proposed water wells, monitoring wells, and Groundwater Source Water Pipeline Alternative;
- Proposed Municipal Source Water Pipeline Alternative;
- Proposed 7717 Bypass Route;
- Proposed exploratory drilling and associated ingress and egress; and
- Reclamation and environmental protection measures.

The proposed acreage of ground disturbance on BLM-managed land has been calculated at 497.10 acres, including 6.54 acres on Arizona State Land Department land. Exploration activities are

included in the proposed action and includes ore exploration activities in six identified exploration areas surrounding Moss Mine. These activities include drilling and development of access roads to targeted drilling locations. It is estimated that approximately 110.3 acres of ground disturbance would occur as a result of exploration activities. Due to the difficulty in locating access routes and drill sites before exploration activities reveal the location of the ore body, GVC would first identify the general target area and access routes to drill sites. Then, prior to any annual or semi-annual exploration program, GVC would review access routes and drill sites with BLM resource specialists to select the best routes, timing, mitigation factors, etc. Whenever possible, existing BLM routes would remain open to public use during exploratory drilling operations. GVC would work with BLM on a case-by-case basis to determine if short-term, temporary closures of system routes are more beneficial to resources than creating new routes to avoid OHV traffic conflicts. All areas disturbed would be reclaimed to be as close to pre exploration condition as practical.

All necessary federal, state, and local permits would be obtained, pursuant to Title 43 Code of Federal Regulations, sections 3715.5(b) and 3809.420.

- **Approve the proposed action described above with incorporation of the following Stipulations, Conditions of Approval, Mitigation/Monitoring:**
 - a. Historic properties will be fenced off with a 50-foot (20 meter) buffer; avoidance signage will be posted.
 - b. All historic properties will be monitored annually.
 - c. All historic properties within a ¼ mile of exploration activities will be monitored pre- and post-construction.
 - d. If GVC chooses to reduce the 50-foot buffer, an archaeological monitor will be required to be on-site during construction activities.
 - e. An annual report summarizing the previous year's historic properties monitoring activity will be submitted annually to the BLM by February 15th.
 - f. GVC will provide funding to the BLM to perform class III cultural resource surveys for the six springs that will be monitored.

APPROVING OFFICIAL:

Amanda M. Dodson
Amanda M. Dodson
Field Manager
Kingman Field Office

March 18, 2020
Date

ADMINISTRATIVE REVIEW OR APPEAL OPPORTUNITIES:

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 Code of Federal Regulations, Part 4 and the attached Form 1842-1.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you
AND

2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF APPEAL.....	A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the <i>Notice of Appeal</i> in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a <i>Notice of Appeal</i> in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).
2. WHERE TO FILE NOTICE OF APPEAL..... WITH COPY TO SOLICITOR...	BUREAU OF LAND MANAGEMENT KINGMAN FIELD OFFICE 2755 MISSION BOULEVARD KINGMAN, ARIZONA 86401 FIELD SOLICITOR, US DEPARTMENT OF THE INTERIOR SANDRA DAY O'CONNOR, US COURTHOUSE SUITE 404 401 WEST WASHINGTON STREET, SPC 44 PHOENIX, ARIZONA 85003-2151
3. STATEMENT OF REASONS WITH COPY TO SOLICITOR.....	Within 30 days after filing the <i>Notice of Appeal</i> , file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the <i>Notice of Appeal</i> , no additional statement is necessary (43 CFR 4.412 and 4.413). FIELD SOLICITOR, US DEPARTMENT OF THE INTERIOR SANDRA DAY O'CONNOR, US COURTHOUSE SUITE 404 401 WEST WASHINGTON STREET, SPC 44 PHOENIX, ARIZONA 85003-2151
4. ADVERSE PARTIES.....	Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the <i>Notice of Appeal</i> , (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).
5. PROOF OF SERVICE.....	Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).
6. REQUEST FOR STAY.....	Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a <i>Notice of Appeal</i> (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your <i>Notice of Appeal</i> (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the <i>Notice of Appeal</i> and <i>Petition for a Stay</i> must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted. Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402)). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401 (a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

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43 CFR SUBPART 1821-GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION: Alaska State Office ----- Alaska

- Arizona State Office ----- Arizona
- California State Office----- California
- Colorado State Office -----Colorado
- Eastern States Office -----Arkansas, Iowa, Louisiana, Minnesota, Missouri
and, all States east of the Mississippi River
- Idaho State Office ----- Idaho
- Montana State Office -----Montana, North Dakota and South Dakota
- Nevada State Office ----- Nevada
- New Mexico State Office ----New Mexico, Kansas, Oklahoma and Texas
- Oregon State Office ----- Oregon and Washington
- Utah State Office----- Utah
- Wyoming State Office ----- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.