



March 10, 2023

Mr. Dayne Doucet  
Consolidated Mining Permit Lead  
Oregon Department of Geology and Mineral Industries  
Mineral Land Regulation & Reclamation  
229 Broadalbin St SW  
Albany, Oregon 97321

**RE: Submittal of Documents in Response to Comment 163 in October 20, 2022,  
Comments for the Consolidated Permit Application, Grassy Mountain Mine Project**

Dear Mr. Doucet:

This letter accompanies the submittal of the document listed below in response to Comment 163 in the October 20, 2022, Comments for the Consolidated Permit Application.

- Grassy Mountain Project Final Portal Design and Construction Plan, prepared by Geotechnical Mine Solutions. November 2022.

The document submittal record for Comment 163 is attached.

Please contact me at (775) 625-3600, [glen@paramountnevada.com](mailto:glen@paramountnevada.com) if you have questions or need clarification.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Glen van Treek', is written over a horizontal line.

Glen van Treek  
President

Calico Resources USA Corp./Paramount Gold Nevada Corp.  
(775) 625-3600  
[glen@paramountnevada.com](mailto:glen@paramountnevada.com)

Att: Document Submittal Record

**Attachment**  
**Document Submittal Record**

## Comment Number: 163

| Comment Number: 163                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                         | Category: 1                                                                                                                                             | Status: B |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Topic: Tailings and Waste Rock                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                         | CPA Reference: Section 3.1, page 106, Section 3.3.2, page 132, Section 3.3.4, page 139 and 140, Appendix C, Section 2.3, page 7, and Section 7, page 27 |           |
| Commentor: DEQ                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                         |                                                                                                                                                         |           |
| Comment: Waste rock volume and storage issues. Throughout much of the CPA, the waste rock volume appears to be consistently estimated to be 200,000 tons and the Waste Rock Dump (WRD) is designed to hold that volume. However, Appendix S of the CPA (Stability Analysis of the Portal Design) states that “The portal will have a waste rock excavation volume of 2,283,146 tons.”                                                                                                                                                  |                                                         |                                                                                                                                                         |           |
| Proposed Resolution: Applicant should provide information regarding this apparent large discrepancy in waste rock volume and the effect on the waste rock dump size and volume.                                                                                                                                                                                                                                                                                                                                                        |                                                         |                                                                                                                                                         |           |
| Applicant should provide information showing how the waste rock volume was calculated.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                         |                                                                                                                                                         |           |
| Applicant should provide information concerning where and how the additional 2,000,000 tons of waste rock material be stored, how it will be treated to preclude acid generation and metals leaching, and the ultimate disposition of the material.                                                                                                                                                                                                                                                                                    |                                                         |                                                                                                                                                         |           |
| Initial Response to Comment: There is an error with former Appendix S that was corrected for the submittal of the CPA.                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                         |                                                                                                                                                         |           |
| Stantec – Comment Addressed as Indicated?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Stantec – Preliminary Assessment – Sufficient Response? | TRT Response:                                                                                                                                           |           |
| No. Appendix S – Portal Design Report (August 2019) appears to be the same version submitted with the November 2019 CPA, which maintains the waste rock excavation volume of >2 MT.                                                                                                                                                                                                                                                                                                                                                    | No.                                                     | This comment has not been sufficiently addressed. No "Appendix S" found in CPA documents.                                                               |           |
| Preliminary Response to Comment (Nov 2022): On revisiting this issue, the 2.283 million tons quoted in Appendix S is correct, but it is not "waste rock" as that term is used everywhere else in the CPA. The 2.283 million tons is the spoils from excavation of the Portal. As shown in Figure 6-1 of Appendix S, the material being excavated consists of colluvium, arkose, and siltstone, and it is all above the sinter that generally represents the top of the mineralized zone where the rock is potentially acid-generating. |                                                         |                                                                                                                                                         |           |
| There are no corrections or clarifications necessary regarding this issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                         |                                                                                                                                                         |           |
| Agency Comment:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                         |                                                                                                                                                         |           |
| Response to Comment (Feb 2023): Calico will be working with the agency to resolve this issue during permitting (Category 3).                                                                                                                                                                                                                                                                                                                                                                                                           |                                                         |                                                                                                                                                         |           |
| Also, a revised version of the Portal Design Report was prepared in 2022 (to be included with the revised CPA) that has a corrected value for the waste rock generated by excavation of the mine portal.                                                                                                                                                                                                                                                                                                                               |                                                         |                                                                                                                                                         |           |
| Response to Comment (March 2023): The final Portal Design Report (November 2022) was uploaded to the DOGAMI file share system on March 10, 2022. This report is designated as Appendix C2 in the CPA.                                                                                                                                                                                                                                                                                                                                  |                                                         |                                                                                                                                                         |           |