

August 22, 2019

Mr. Kelly McGowan, Program Manager  
State of Nevada  
Sagebrush Ecosystem Program  
201 S. Roop Street, Suite 101  
Carson City, NV 89701

RE: Letter dated August 20, 2019

Dear Mr. McGowan:

McEwen Mining Inc. (MMI) is in receipt of your August 20, 2019 letter and offer the following response. MMI acknowledges the Executive Order 2018-32, which required the SEC to adopt regulations requiring compliance with the Nevada Greater sage-grouse conservation plan and the Nevada CCS for the conservation of the Greater sage-grouse and its habitat using compensatory mitigation as determined through the CCS. Subsequently, the SEC adopted temporary regulations requiring mitigation for impacts to Greater sage-grouse habitat on all public lands that are the result of certain anthropogenic disturbances. The executive order, signed by Governor Sandoval on December 7, 2018, and temporary regulations, adopted April 2019, was finalized after the Gold Bar Record of Decision (ROD) and would be implemented for future proposed projects that might require compensatory mitigation.

As you will recall, two compensatory mitigation options were reviewed in the Gold Bar Final Environmental Impact Statement (FEIS) to mitigate residual impacts to Greater sage-grouse. This included the use of the State of Nevada CCS as well as a Proponent Driven Mitigation Plan (PDMP). After review, Bureau of Land Management (BLM) determined the CCS option was not a viable approach at the time of review. Subsequently, the Record of Decision (ROD) for MMI's Gold Bar Mine, issued by the BLM on November 7, 2017, allowed MMI to implement the PDMP. MMI's plans to implement this option have been communicated to BLM and SETT consistently since the ROD.

MMI requested a time extension for implementation of the Proponent Driven Sage Grouse Mitigation, which BLM granted in a letter on December 21, 2018 which "extends the compliance date for the Proponent Driven Sage Grouse Mitigation to September 30, 2019".

MMI has since been engaged with BLM in the NEPA process to complete an Environmental Assessment (EA) to implement the PDMP. Implementation will begin once the EA is final, consistent with the language in the ROD on page 39, "As mitigation to off-set the impacts to greater sage-grouse habitat from the Project, MMI will be responsible for completion of treatment activities within two years of receiving approval of the Project from BLM ...".



**McEWEN MINING** **NEVADA INC.**

The Sagebrush Ecosystem Program will have the opportunity to review the EA, which details the planned treatment areas, schedule and measures intended to demonstrate net conservation gain.

MMI is committed to a Proponent Driven Mitigation Plan, and looks forward to continued coordination with the SETT on implementation of that plan.

Sincerely,



Mike Worley  
Environmental Manager

ec:

Christine Gabriel (BLM)  
Jon Sherve (BLM)  
Doug Furtado (BLM)  
Jon Raby (BLM)  
Alan Jenne, (NDOW)