

Sagebrush Ecosystem Program

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STATE OF NEVADA
Sagebrush Ecosystem Program

March 7, 2024

Donald Dwyer

General Manager, Orla Mining
Gold Standard Ventures (US) Inc, South Railroad Project
P.O. Box 1897
Elko, NV, 89803

Re: South Railroad Mine Project Meeting January 18, 2024

Dear Mr. Dwyer,

Thank you for your detailed letter outlining the progress and efforts that Gold Standard Ventures (GSV) has made regarding the South Railroad Mine Project. We appreciate your diligence in working with the Sagebrush Ecosystem Technical Team (SETT) throughout the pre-National Environmental Policy Act (NEPA) process and reviewing ways where mitigation can occur on the ground. The additional information, including the flow chart from BLM Nevada's Instruction Memorandum NV-IM-2023-003, which outlines the steps in the NEPA review process, has also been very helpful in understanding the NEPA process.

Also, thank you for sharing your concerns about the initiation of NEPA for the Project. We have reviewed your points regarding the interpretation of when NEPA officially begins and appreciate the work done by GSV to provide necessary information and data ahead of the Notice of Intent (NOI) publication. We acknowledge that the initiation of NEPA is a critical component of the overall process. However, the initiation of NEPA officially begins when the NOI is issued, as this is when the Debit Project is assured of moving forward and where we are most likely to be notified of the project. Prior to the NOI, any activities are considered as pre-NEPA because the project concept is not final and is likely to change or not move forward. Therefore, we have decided on a hard line for considering a project a valid project or a "competing land use" - deciding on a point at which it is most likely to move forward into realization and not be withdrawn. We use the term "competing land use" to indicate that it is now considered on the ground, and any future projects around it must consider it a current anthropogenic feature, even though it may not be built yet.

Additionally, the project footprint is not finalized and is likely to change throughout the NEPA process per cooperating agency and public comments. This alone would push the Project out of the 90-day window (April 23, 2024) for version control. Any change in footprint requires rerunning in the latest version. Since the Project is not even slated to start the formal NEPA process until 2025, it can potentially fall under Version 1.9.

We are open to and encourage working with our proponents to ensure that all necessary steps are taken to accurately assess the debits associated with the Project prior to the start of NEPA. As you mentioned, estimates and baselines can help prepare for the NEPA process, especially in the Avoid and Minimize discussions. Per our policy, however, final numbers may not be determined until the footprint is finalized. This is necessary to minimize rerunning of estimates and reports to save both of us time and resources. We have discussed this with the BLM, and there is no requirement for finalized numbers in the EIS or numbers at all. As long as the document states that the Proponent is working with the SETT to determine the mitigation obligation and to satisfy it per the NAC 232.400-232.480 requirements, the NEPA requirements are satisfied. We can offer estimates until the project is finalized to assist with the decisions, especially in the Avoid and Minimize process.

Regarding your request to bring this matter to the Sagebrush Ecosystem Council, if you would like to continue with that route, please submit an official request to be placed on the agenda for the upcoming meeting on April 19th. We value transparency and open discussion and welcome the opportunity to address any further concerns or questions that GSV may have.

Thank you for your attention to this matter, and please feel free to contact me if you have any further questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kathleen Steele', written in a cursive style.

Kathleen Steele
Program Manager
Sagebrush Ecosystem Program

CC: James Settelmeyer, DCNR Director
Dominique Etchegoyhen, DCNR Deputy Director
Ryan Cherry, Governor's Chief of Staff