

REVIVAL GOLD INC.

Suite 2870 145 King St. West Toronto, Ontario M5H 1J8

REVIVAL GOLD (IDAHO) INC.

Salmon Valley Business Center 803 Monroe St. Salmon, Idaho 83467

> www.revival-gold.com TSX-V: RVG OTCQB: RVLGF

Submitted Electronically To:

https://cara.fs2c.usda.gov/Public//CommentInput?Project=50516

3rd January 2023

U.S. Forest Service, Payette National Forest Attn: Linda Jackson, Payette Forest Supervisor Stibnite Gold Project 500 North Mission Street, Building 2 McCall, ID 83638

RE: Comments on the Payette and Boise National Forests' Supplemental Draft Environmental Impact Statement for the Stibnite Gold Project

Introduction

As an Idaho mineral exploration and development company, Revival Gold (Idaho) Inc. (Revival Gold) is keenly interested in Perpetua Resources Idaho, Inc. (Perpetua's) proposed Stibnite Gold Project (SGP) in Valley County, Idaho. The SGP is a unique redevelopment and remining project that would help restore the currently degraded environment at the historic Stibnite Mine where the U.S. federal government conducted emergency mining operations to produce antimony and tungsten during World War II and the Korean War.

We have reviewed the October 2022 Supplemental Draft Environmental Impact Statement (SDEIS) that the Payette and Boise National Forests (Forest Service) prepared to evaluate the SGP, and are pleased to have this opportunity to submit these comments on the SDEIS. These comments augment the comments we provided in October 2020 on the Forest Service's August 2020 Draft Environmental Impact Statement (DEIS).

About Revival Gold

Revival Gold is based in Salmon, Idaho. We are actively exploring the Beartrack-Arnett Gold Project, which is located in Lemhi County, Idaho. Our property position includes private lands and unpatented mining claims on National Forest System lands in the Salmon-Challis National Forest.

The Revival Gold team is comprised of experienced mineral professionals including geologists, engineers, and environmental specialists who have extensive experience preparing Environmental Assessments and Environmental Impact Statements for mineral projects pursuant to the National Environmental Policy Act (NEPA). This team is thoroughly familiar with the Forest Service's 36 CFR Part 228 Subpart A surface management regulations governing mineral activities on National Forests. We are also knowledgeable about the State of Idaho's environmental protection and mining regulations and the financial assurance requirements for mineral projects. We are thus well qualified to provide comments on the Stibnite Gold Project DEIS.



The Forest Service Has Thoroughly Evaluated the SGP and Should Approve this Project Quickly

With over six years of scrutiny and preparation of two lengthy and substantive NEPA documents for the SGP (e.g., this SDEIS and the 2020 DEIS), it is time for the Forest Service to complete the NEPA process, publish the Final EIS, and issue a Record of Decision (ROD) to approve the SGP as early as possible in 2023. The Forest Service's detailed and comprehensive environmental evaluation for the SGP makes it one of the most thoroughly studied mining projects in the country.

The Forest Service has gone above and beyond the requirements in NEPA for federal agencies to seek public comments on a draft EIS document. The combined public comment periods for the 2020 DEIS and the 2022 SDEIS total five months, with the Forest Service giving the public 75 days to prepare comments on each of the Forest Service's NEPA documents for the SGP. To put these 75-day comment periods into proper perspective, the Council on Environmental Quality's NEPA regulations only require federal agencies to give the public 45 days to review draft EIS documents. Compared to these requirements, there can be no question that the Forest Service has given the public ample time to review the DEIS in 2020 and now the SDEIS in 2022 – 2023.

There is no reason to delay approving the SGP, which is a project of national importance from several perspectives:

- 1. Perpetua's ModPRO2, which is called the "Modified Mine Plan or MMP" in the SDEIS, includes numerous and significant remediation measures that will clean up this legacy mine site where World War II- and Korean War-era mining created piles of mine wastes that are leaching arsenic, antimony, and other metal contaminants into the Stibnite mine area watershed;
- 2. The U.S. Department of Defense (DoD) recently announced that the antimony from the Stibnite Mine is "the sole domestic geologic reserve of antimony that can meet Department of Defense (DoD) requirements¹;" and
- 3. According to Section 4.21.2.2 of the SDEIS, Perpetua is proposing to invest \$1.1 billion to construct the SGP. If Perpetua does not conduct this cleanup, who will?
- 4. Stibnite is one of the largest undeveloped economic deposits of gold mineralization in the U.S. and, as such, represents an important asset of strategic importance to the national economy and financial reserve.

The Forest Service needs to seize this opportunity and capitalize on Perpetua's extraordinary proposal to tackle the environmental problems at the Stibnite mine site. The SDEIS shows the MMP will substantially improve water quality and restore many miles of riparian and fish habitat. Adherence to the Forest Service's core mission "to sustain the health, diversity, and productivity of the nation's forests and grasslands to meet the needs of present and future generations," and the agency's motto: "Caring for the Land and Serving People" dictate that the Forest Service's only viable decision is to issue the ROD to approve the SGP.

¹https://www.defense.gov/News/Releases/Release/Article/3249350/dod-issues-248m-critical-minerals-award-to-perpetua-resources/

² https://www.fs.usda.gov/about-agency/meet-forest-service



It is inconceivable that the Forest Service would choose to reject the SGP and leave the arsenic- and antimony-belching legacy mine wastes in place where they will continue to contaminate area streams and remain a blight on the Payette and Boise National Forests. Similarly, it would not make any sense to prolong the NEPA process for this project, which would delay the construction of the site remediation measures that are an integral part of the MMP for the SGP.

The U.S. Military Needs the Antimony from the SGP

The DoD's December 19, 2022^3 announcement to award up to \$24.8 million in a Title III Defense Production Act (DPA) grant to Perpetua to help the Company complete the NEPA process for the SGP clearly signals that the U.S. military urgently needs the antimony that will be produced at the SGP. The SGP will become the Nation's only domestic antimony mine and "the sole domestic geologic reserve of antimony" that satisfies DoD's specifications. Apparently the mineralogical and/or metallurgical properties of the stibnite mineral (Sb₂S₃) at the SGP are especially well-suited for the military's envisioned applications for this metal:

"This investment is essential to ensure the timely development of a domestic source of antimony trisulfide for the manufacture of small arms and medium caliber cartridges, as well as many other missile and munition items."

"This action reinforces the Administration's goals to increase the resilience of our critical mineral supply chains while deterring adversarial aggression."

Reading between the lines, it is obvious that the U.S. is in a vulnerable situation regarding the current antimony supply chain. According to the U.S. Geological Survey's (USGS') 2022 Mineral Commodity Summaries⁴, no marketable antimony was mined during 2021 in the U.S. We imported 84 percent of the antimony metal and oxide we needed, with most of the imports coming from China. This statistic coupled with DOD's characterization of the SGP as the only antimony reserve that meets the military's technical specifications clearly means there is urgency to put the SGP into production. The U.S. military's need for the antimony from the SGP is another compelling reason for the Forest Service to expedite the remainder of the NEPA process for the SGP, publish the Final EIS, and issue the ROD.

Improving the Final EIS

Although the SDEIS presents detailed information that documents the SGP will improve water quality, restore stream and fish habitat, and create numerous and substantial socioeconomic benefits, these positive impacts are buried in the text and hard to find. The Final EIS would be greatly improved by including a synthesis of these project benefits in the Executive Summary.

Based on our reading of the SDEIS, it appears that the Forest Service has purposefully downplayed the positive aspects of the SGP. This is curious in light of the numerous environmental and ecological improvements that will directly benefit the Payette and Boise National Forests. Revival Gold suggests that rather than obscuring these benefits, the Forest Service should highlight them — especially the water quality improvements and the

³ Op cit., U.S. DOD announcement, December 19, 2022.

⁴ https://pubs.er.usgs.gov/publication/mcs2022



stream and fish habitat restoration measures – to showcase the opportunity to improve the environmental and ecological conditions in the Payette and Boise National Forests.

The discussion of groundwater and surface water quality in the Executive Summary and in Section 4.9 are specific examples of how the SDEIS obfuscates the environmental benefits that would result from the SGP. The Executive Summary does not clearly say that water quality will be improved. Instead, it includes a confusing paragraph stating:

The MMP would improve some of the existing water quality conditions observed in Meadow Creek and the East Fork SFSR by removing and repurposing legacy mine wastes. However, the 2021 MMP would have direct permanent impacts on water quality, as it would contribute new sources of mine waste material to the East Fork SFSR drainage⁵. (ES, Pages 15-16)

As written, the second sentence negates the first sentence leaving the reader to wonder whether there will be net water quality improvements. At the very least, this paragraph needs to have a third sentence that explains the many state-of-the-art environmental protection measures and mine waste management design features that will prevent, limit, or mitigate impacts from project mine wastes.

This mixed message omits any of the actual data presented in Section 4.9 that documents the SGP will reduce arsenic levels by 40 percent and antimony concentrations by 58 percent downstream from the Stibnite project area at monitoring point YP-SR-2 when mining is completed. These results are clearly shown in Figures 4.9-21 and 4.9-25. The Executive Summary in the Final EIS should cite Figures 4.9-21 and 4.9-25 and clearly explain the water quality improvements that will be achieved. This explanation should be framed positively as an opportunity to improve environmental and ecological conditions in the Payette and Boise National Forests.

The text of Section 4.9 is similarly lacking in clarity and enthusiasm for the documented water quality improvements. In fact, it misrepresents the water quality results from the SGP when it says the following:

"Downstream of the project on the East Fork SFSR at node YP-SR-2 (below the confluence with Sugar Creek), predicted surface water chemistry *is largely unchanged from existing conditions* with some variability in predicted antimony, arsenic, and mercury concentrations during the operating and initial closure period (**Table 4.9-21** and **Figure 4.9-25**)." (italics added for emphasis, bold in the original, SDEIS Page 4-251.)

Asserting that the predicted surface water chemistry "is largely unchanged from existing conditions" is a disingenuous mischaracterization that needs to be removed from the Final EIS. Both the Executive

Summary and Section 4.9 should clearly describe the significant water quality improvements – the 40 percent reduction in arsenic and the 58 percent reduction in antimony at the downstream monitoring point (YP-SR-2) – and use the data shown in Figures 4.9-21 and 4.9-25 to substantiate this discussion.

4

⁵ This paragraph also appears on Page 4-317 of the SDEIS.



The Forest Service has Selected the Correct Alternative as the Agency Preferred Alternative

Revival Gold very much appreciates that the Forest Service has identified an Agency Preferred Alterative in the SDEIS, unlike the DEIS which did not identify an Agency Preferred Alternative, and strongly supports the agency's selection of the Burntlog Route Alternative as the Agency Preferred Alternative. In our October 2020 comments on the DEIS, we expressed concerns about the environmental and safety hazards associated with Alternative 4, which was called the Yellow Pine Route in the DEIS. We have the same concerns about the Johnson Creek Alternative that is evaluated in the SDEIS.

As described in Section 4.16.2.3 of the SDEIS, there are several environmental and safety hazards associated with the Johnson Creek Route Alternative. First, because the Johnson Creek Route is closer to fish-bearing streams than the Burntlog Route, there is a higher potential for adverse impacts to water quality in the event of a fuel or chemical spill or leak from a delivery truck. Secondly, regular use of the Johnson Creek Route would increase sedimentation impacts. Third, there are large avalanche paths along the Johnson Creek Route, which make it an unsafe choice for routine winter use.

Using the Johnson Creek Road would add two years to the construction period for the SGP compared to the Burntlog Route Alternative, which would delay the onset of the environmental restoration measures by two years. Despite this extensive construction period, there would be no way to completely avoid the avalanche paths; consequently, this road would probably have to be closed during high-risk avalanche conditions. Seasonal road closures would create obvious operational constraints and could also precipitate an emergency if project personnel are unable to leave the mine site or if emergency vehicles cannot reach the site. The inevitability of unpredictable avalanche events would obviously pose a direct and serious risk to people driving this route who could be caught in an avalanche.

For these reasons, Revival Gold urges the Forest Service to retain the Burntlog Route as the Agency's Preferred Alternative in the Final EIS.

Benefits to Idaho

As an Idaho company, Revival Gold is especially interested in the significant socioeconomic benefits to the State of Idaho, Valley County, and the surrounding area. Section 4.21 of the SDEIS includes detailed information about the numerous socioeconomic benefits associated with the SGP that include but are not limited to the following:

- \$29.3 million in income to local residents;
- \$71.6 million in income statewide;
- \$133 million in annual expenditures for goods and services in Idaho;
- 1,820 direct, indirect, and induced jobs during construction;
- 1,150 direct, indirect, and induced jobs during the 15-year operating period;
- 190 jobs during closure and reclamation; and,
- Untold qualitative and quantitative benefits in terms of transferable technical and professional skills development and enterprise capacity building for state residents, state agencies, collages, universities, and businesses.



However, as written, it is difficult to discern these benefits because they are sprinkled throughout the voluminous SDEIS text and the document lacks a synthesis of the socioeconomic (and the environmental benefits) that would result from the SGP. We recommend that the Executive Summary and Section 4.21 be more forthcoming about these benefits and highlight them by creating easy-to-understand summary tables that provide a useful snapshot of the SGP's benefits.

Both the Executive Summary and Section 4.21 inappropriately omit any discussion of the Stibnite Foundation⁶, which is a profit-sharing agreement between Perpetua and eight communities. The Final EIS needs to include the Stibnite Foundation and treat it as a component of the socioeconomic baseline data for the project. The Stibnite Foundation is one of the principal reasons that the potential for boom and bust will be limited. Using the annual contributions from the Stibnite Foundation, the recipient communities will be able to make investments to diversify their economies or for other purposes that will create sustainable benefits for these communities when mining is completed.

Conclusions

There are many reasons why the Forest Service should expedite the remaining steps in the NEPA process for the SGP and approve this project as soon as possible. The Forest Services' Final EIS and ROD are the gatekeepers to realizing the following benefits from the SGP:

- Providing the U.S. military with an urgently-needed domestic source of antimony that satisfies military specifications for manufacturing cartridges, missiles, and munitions;
- Remediating the legacy mine wastes that are currently leaching contaminants into the project area streams, which will significantly improve surface water quality in the watershed;
- Restoring many miles of stream and fish habitat;
- Removing the cascade into the Yellow Pine Pit which has obstructed fish migration for over 80 years;
- Reconnecting the EFSFSR as a meandering stream in the backfilled Yellow Pine Pit, which will enable volitional fish migration for the first time in four decades;
- Constructing Stibnite Lake in the backfilled Yellow Pine Pit to replicate the lake habitat for fish that currently exists in the Yellow Pine Pit lake⁷;
- Reclaiming and revegetating Blowout Creek to eliminate this major source of sedimentation into the Yellow Pine Pit and the EFSFSR downstream of the pit8;

⁶ http://stibnitefoundation.com/

⁷ The Executive Summary in the SDEIS fails to discuss Stibnite Lake. The Executive Summary for the Final EIS should discuss the creation of Stibnite Lake and give Perpetua proper recognition for adding this feature to the MMP to respond to public comments on the DEIS expressing concerns about the loss of the Yellow Pine Pit Lake habitat and potential temperature fluctuations along this segment of the EFSFSR.

⁸ The Executive Summary in the Final EIS also needs to add a discussion about the environmental benefits associated with reclaiming Blowout Creek and removing this perennial and major source of sedimentation.



- Furnishing the Forest Service and Idaho State regulatory agencies with comprehensive financial assurance to guarantee the SGP will be properly closed and reclaimed;
- Creating thousands of direct, indirect, and induced jobs for Idahoans for over two decades;
- Generating significant local, state, and federal taxes and other socioeconomic benefits;
- Developing important transferable technical and professional skills as well as enterprise capacity for state residents, agencies, educational institutions and private enterprises alike;
- Serving as a proof-of-concept project demonstrating the feasibility of remining and reprocessing old mine wastes as a source of critical minerals;
- Sharing the mine profits with local communities pursuant to the Stibnite Foundation profit-sharing agreement during the life of the mine;
- Generating revenue that could be used to help finance future the site-wide, comprehensive cleanup
 of all the legacy mine features at the Stibnite Mine; and
- Ensuring effective and optimal use of one of the nation's largest known undeveloped resources of gold.

Given this long list of important and enduring national security, environmental, ecological, and socioeconomic benefits, the only logical course of action for the Forest Service is to approve the SGP in an expeditious manner. Delaying or rejecting this project would be illogical and completely at odds with the Forest Services' forest-stewardship obligations and would have a large detrimental impact on confidence in the US as a favourable place for inbound domestic and internationally sourced investment. It would also deny the country the important opportunity to reduce its currently risky reliance on China and other countries for the antimony that the military needs for the nation's defense and security.

The Forest Service must acknowledge the significant and overarching public benefits of accepting Perpetua's proposal to invest \$1.1 billion to construct the SGP and remediate the Stibnite mine site. To put this enormous investment into perspective, the Forest Service spent a miniscule \$5.2 million from 1993 to 2012 to address the environmental problems at Stibnite⁹. The widespread environmental problems that remain at this historic mine site attest to the fact that this expenditure was literally a drop in the bucket compared to the billion dollar price tag associated with remediating this site. The billion-dollar gap between the Forest Service's investment and Perpetua's proposed investment also underscores the huge costs to remediate this site.

Since there are no other known companies, federal or state regulatory agencies, local communities, tribes, conservation groups, or Environmental Non-Governmental Organizations ready to write a billion check to restore this site, it is imperative for the Forest Service to enable restoration of the Stibnite Mine site by

⁹ In her November 8, 2021 letter to Idaho Congressmen Russ Fulcher and Mike Simpson, Mary Farnsworth, the Intermountain Region Regional Forester, states the Forest Service spent \$5.2 million to remediate the Stibnite mine site between 1992 and 2013.



approving the SGP. Without Perpetua's proposed investment of \$1.1 billion to redevelop and remediate this site, the serious environmental problems at the Stibnite Mine will persist for a long time into the future.

Thank you for this opportunity to submit these comments. Please do not hesitate to contact me if you have any questions.

Respectfully submitted,

REVIVAL GOLD INC.

Hugh Agro

President and CEO

Copy: Perpetua Resources Idaho, Inc.