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Comments: Midas Gold Idaho, Inc. ("Midas Gold") is the proponent of the Stibnite Gold Project ("Project"). This letter provides comment on our Plan of Restoration and Operations ("PRO" or "Plan") and addresses several themes contained in submissions to the U.S. Forest Service's Scoping of the Plan.

In our Plan, Midas Gold proposes to restore and redevelop the former Stibnite mine site in Valley County, Idaho. Our proposal represents a rare opportunity to restore salmon migration into the headwaters of a branch of the Salmon River, to clean up an abandoned mine site that has compromised water quality, and to revitalize the local economy and local communities, using private capital funding. It should be emphasized that all the currently existing large-scale disturbance and environmental impacts at the Stibnite site were generated prior to Midas Gold's involvement in the Project area. However, we see the potential to combine restoration with redevelopment of the site as a unique opportunity for development that positively impacts the local, regional and Idaho economy while improving environmental conditions.

Our Plan is the result of many years of study and work by experienced Midas Gold employees and our external experts, guided and amended with input from the local communities and other interested parties. In addition to thoroughly vetting all the various options considered from environmental, social, technical, safety and economic perspectives, throughout the past several years of study, we have also consulted with communities and other interested parties locally and around the state to gather input and ideas from a diversity of sources. We have worked hard to understand and appreciate the values that are important to those communities and to do things right, which aligns with our core values of transparency, openness and inclusiveness. 2

In the past seven years, Midas Gold has spent more than $140 million evaluating the economic potential of the site and collecting years' worth of baseline environmental resource data to characterize air, water, wildlife, fish, vegetation and many other aspects of the damaged ecosystem at Stibnite. Starting with closure in mind, Midas Gold used this vast database of information and set out to evaluate alternatives for an integrated and innovative approach to the restoration and redevelopment of the site. The alternatives were then assessed from an environmental, social, technical and financial perspective, and screened through Midas Gold's core values of safety and environmental responsibility. The alternatives exemplify Midas Gold's guiding conservation principles, which include environmentally responsible activities, avoiding/minimizing impacts, protecting water quality, improving and restoring habitats and protecting fish and wildlife.

Major environmental components of the Plan include:

1. Avoiding travel adjacent to major fish-bearing waterways to reduce potential impacts on fish and water quality;

2. Preferential use of grid power over diesel fuel-generated power to minimize greenhouse gas emissions and fuel-transport risks;

3. Permanently restoring fish passage to the headwaters of a branch of the Salmon River for the first time since the 1930s and upgrading approximately 34 culverts and bridges to support restored fish passage;

4. At the Project outset, immediately starting the clean-up of legacy impacts on water quality and other valued natural resources as soon as construction commences;

5. Reuse and reclamation of approximately 10.5 million tons of legacy mined materials, including reprocessing of old tailings and placement in a new lined facility and the reuse of spent ore materials as tailings dam construction

materials, will improve water quality and increase the potential for future salmon spawning;

6. Locating facilities, to the maximum extent practicable, within previously impacted areas. Of the proposed disturbance, 42% is located on previously impacted areas, including use (and upgrade) of the existing powerline and roads;

7. Lining and buttressing tailings storage to ensure long-term integrity and environmental compliance;

8. Restoring approximately 51,350 feet of previously impacted stream channels and riparian habitat and creating approximately 454 acres of high quality, high functionality wetlands;

9. Reforestation of burned areas, with approximately 22,563 acres (76%) of the mineral rights areas already burned in wildfires to reduce erosion (which impacts water quality and fisheries) and improve wildlife habitat;

10. Minimizing water consumption through recycling, thus protecting fish habitat; and

11. Constructing new wetlands, stream channels and riparian habitat.

Many of these ideas came as input that we solicited from community members and groups keenly interested in the future of this site, and our mitigation and restoration plans are laid out in detail in the Plan (see Appendix F). With the redevelopment of the site, Midas Gold will repair the damage from a century of mining activity, logging and human habitation that has left a legacy of unreclaimed open pits, 3

tailings, development rock dumps, heap leach piles and a failed hydro dam, all of which have adversely affected water quality, elevating metal and sediment levels in local waterways and cut off fish migration. Forest fires have compounded those legacy impacts, accelerating erosion and exacerbating the effects of past human activity on water quality and fish and wildlife populations.

During the Project life, we will mine approximately 4.6 million ounces of gold and 100 million pounds of antimony. Approximately 90% of the mineral reserves lie within Midas Gold's private land, with the remaining approximately 10% beneath public lands managed by the US Forest Service. Economic benefits related to this restoration and redevelopment work would come from direct and indirect employment, millions of dollars in tax revenue at the local, state and federal level, local supply, services and contract opportunities, and infrastructure improvements. Federal and state income taxes paid by Midas Gold, as included in our 2014 Pre-Feasibility Study, are estimated at $329 million and $86 million respectively. The hundreds of individuals employed directly by Midas Gold will have permanent, full-time, well-paid jobs with health and other benefits. While our investors clearly expect to profit from their investment, we also expect to provide a substantial boost to the local economy through the redevelopment of the Project.

The Stibnite Gold Project is designed in such a way to provide as stable of a total workforce demand as possible. However, there will be peaks given the phase of the Project and time of year. During the construction phase of the Project, Midas Gold and construction contractors will employ up to 1,000 people but the number will average 600 to 700 people. During operations, Midas Gold will employ an average of 600 people with an estimated range between 524-670 individuals (see Table 3-2 in section 3.2.4.2). As detailed in Table 3-3 in section 3.2.4.4 of the Plan, third party analysis conservatively estimates at least 0.878 jobs will be created indirectly in the community for every direct employment position.

At Midas Gold, we have continually strived to build a positive reputation within the community, by hiring and buying local goods and services where possible, and we will continue to do so throughout the Project life.

A substantial component of the Project expenditures are labor; with a total direct workforce average of 600

people, and typical mining wages of $80,000 to $85,000 per annum, annual payroll is expected to provide a $48-51 million per year (see PRO table 3-2 section 3.2.4.2) boost to the local economy. As noted in the Plan, approximately half the workforce is predicted to reside in Valley County following a period of recruitment, training and relocation. Indirect employment (people employed in services to residents, supply chain logistics, etc.) would be a further boost to the economy locally and regionally.

With respect to the directly employed workforce, we have planned a two-week-in, two-week-out rotation for the majority of the direct, on-site workforce, with approximately half of those being on site at any one time. At Stibnite, we will build appropriate housing, recreational facilities, cafeteria, laundry facilities and essentially everything that is needed to attract a stable, experienced and qualified workforce. The workforce will comprise a mix of professional, technical, trades and labor and Midas Gold intends that most of the workforce will be sourced and trained locally; detailed breakdowns of the 4

types of jobs are provided in Section 6 of the Plan. Approximately 10% of the direct workforce (approximately 50 people) would work out of the logistics facility planned for the Scott Valley area and would be able to commute daily to their own homes in local communities.

The two-week rotation also reduces traffic and simplifies the schedule, as employees will be bussed from the logistics facility near Cascade to the Project site, thus eliminating most trips in personal vehicles for employees. Transportation, especially for heavy vehicles, will be concentrated during daytime and on weekdays to reduce noise and other effects of increased traffic, particularly for weekend recreational users of the area. We estimate just one trip per day of a heavy vehicle carrying antimony concentrate, and fewer than that for gold - total vehicle traffic is estimated. Of the approximated 65 round trips per day during construction and operations, roughly 20 would be light vehicles (see tables 12-1 and 12-2 in the Plan).

One of the primary considerations of Midas Gold in developing our Plan was, and continues to be, the restoration of the salmon fishery (see section 6 of the Plan). From comments, we have seen from others on the Plan, not all appear to be aware that salmon migration to the headwaters of the EFSF Salmon River has been cut off since the 1930s so keeping the status quo will not protect the salmon in the area as their passage to the Project area upstream is currently blocked. This aspect of our Plan merits attention as we emphasized the salmon fishery and habitat both for the restoration and reclamation phases of the Project and it was treated as a primary consideration in the technical aspects of our Project design.

We have looked for ways to improve salmon habitat at the site wherever practicable. In its current damaged condition, the Project area is lacking in suitable quality salmon spawning habitat that existed a hundred of years ago, prior to mining. As an example, the area planned for tailings storage already contains tailings and spent ore and the former process water pond (mill pond), with an adjacent drainage ditch. Despite some comments from others that imply otherwise, this area is not suitable habitat for salmon spawning and, regardless, salmon cannot currently reach this area as upstream migration is blocked by the Yellow Pine Pit, a situation that has existed since the 1930s. In addition, based on community input, rather than waiting to restore salmon migration at the end of the mine life, we have designed a tunnel system that will allow fish migration at the beginning of the mine life, bypassing the current fish blockage, until permanent passage is restored. Another area that is currently substandard, but that has future potential as a salmon spawning area, is in the lower portions of the Meadow Creek valley. This area will be upgraded as part of the Stibnite Gold Project to enhance the spawning potential for salmon. In addition, the situation at the East Fork of Meadow Creek (known as "Blowout Creek") will be addressed - the high volumes of sediment generated from this failed hydro dam choke potential spawning areas downstream with sediment. Midas Gold has developed a plan to fix this issue during Project construction by creating a new, more suitable designed and self-cleaning waterway. As a result of these and other actions, rivers, streams and tributaries will be made available to salmon for the first time since the 1930s, and the spawning salmon will have somewhere suitable to go, as opposed to these streams and tributaries remaining blocked, as some have asserted in public comments. 5

While there has been some funding spent for restorative site work already completed at Stibnite (publicly available estimates range from $7 to $12 million - not the $13 billion quoted by many in letters submitted to the US Forest Service), this work has been limited to small-scale "fixes" for some of the more serious or pressing environmental issues. A more comprehensive plan is required to address the entire site. With the Stibnite Gold Project, as outlined in the Plan, we can implement an integrated, holistic solution to repair an area that still suffers from substantial untreated damage from past mining activity and repeated forest fire burns.

The storage of tailings from the proposed operation was another important area of focus. The preferred alternative resulting from the alternatives assessment (summarized in Appendix G of the Plan) provides the best balance of environmental, technical and economic factors, with approximately 90% of the tailings storage area perimeter surrounded by impervious mountains and the remaining approximately 10% buttressed by an additional 65 million tons of permanently stored development rock (see section 11.5 of the Plan). These design measures are well beyond those required for a safe, stand-alone dam design and provide assurance of long term stability. Further assurance as to dam stability is provided by the downstream construction method (see section 11.4 of the Plan), the materials used and construction approach, and the use of a double liner throughout the tailings storage facility, enhancing both physical stability and separation from groundwater. Overall, these approaches considerably exceed Idaho's requirement for a static safety factor of 1.5 for dam construction, bringing the safety factor to approximately 3. Elimination or reduction of the buttress, such as using development rock to backfill the Hangar Flats pit, would substantially reduce this improved factor of safety.

As Midas Gold prepared the PRO, we were mindful of the concern voiced by Yellow Pine residents that too much traffic associated with the Project could overwhelm town resources, but that residents still wanted to maintain recreational opportunities in the area, particularly Thunder Mountain. After evaluating the available options, the PRO proposes temporarily closing Forest Service Road 50-412 (the "Stibnite Road") through the Project area. The driver for temporarily closing the road beyond this point was to ensure public safety as construction and operations involves active mining using larger scale heavy equipment and significant logistical coordination. However, the public can continue to access Thunder Mountain via Trapper Flats Road and Landmark to Burntlog Road. Our proposal also includes an additional possible route for Off Highway Vehicles to travel along the proposed powerline road to Horse Heaven and Meadow Creek Lookout to connect to Thunder Mountain Road. While it is not feasible to offer the public access through site during construction and operations, due to the substantial safety risks, there may be alternative access plans that assist the public recreating out of Yellow Pine. When reviewing alternatives, we urge the U.S. Forest Service to include overall environmental footprint, cost, public safety and impact to wildlife in the analysis.

We appreciate that people love wilderness, as do our employees. However, we invite those who believe the site is "pristine" to tour the site and see it for themselves. Hundreds of people have taken up the offer for site tours to date and they come away with a much clearer understanding of the major effort that will be required to further facilitate the restoration of the site. It is readily apparent to anyone who has visited the site, that Stibnite is an environmentally damaged area that our company can improve, in 6

parallel with mining for a domestic source of critical minerals, while adding to the strength and diversity of the local economy.

In our Plan, we emphasize restoration and reclamation. Through the design of the Plan, much of the repair of legacy impacts will take place at the beginning of the Project, during construction or early operations. Maximizing the placement of facilities on previously impacted lands as proposed in the Plan means many areas must be cleaned up before they can be used again in the construction or operations phase, thereby ensuring that this cleanup will happen early. Thus, it is imperative for development to proceed in a timely manner, so that reclamation and rehabilitation can occur as early as possible. Other areas would be closed and reclaimed properly during construction and operations phases or at the end of the Project during the final phase of

reclamation. The assurance that reclamation of many of these legacy areas will be done early is that such reclamation is integrated with, and concurrent with, the construction and operations phases of the Project. A summary of the restoration and mitigation projects and timing is set out in Table 5-1 of the Plan. That table, and the more detailed schedules included in the Draft Mitigation Plan in Appendix F, indicate how much of this initial and significant reclamation work will be undertaken during construction and early operations.

During development of the Plan, Midas Gold evaluated many different scenarios, as described in Appendix G, and, we believe that the details presented in the Plan are the best alternatives. Many alternatives were weighed to maximize net benefits to the environment and reduce technical risk, including the location and design of the tailings storage facility and its related buttress that takes margins of safety well beyond regulatory requirements. Many years of thoughtful work, with diverse input and based on extensive data and information collected, has been completed to get to this Plan.

Midas Gold intends to remain in the community and ensure the Stibnite Gold Project, with all its environmental, economic and social benefits, is completed as planned. The conditions of approval contained within the final Record of Decision will bind us, or any other operator, to abide by the operating restrictions, requirements and obligations of the final approved action.

Midas Gold will fully bond for its activities at the Stibnite site as required by law and regulation. In the last two decades, regulatory agencies throughout the western U.S. have utilized the Nevada Standardized Reclamation Cost Estimator (better known as "SRCE") software that was developed through a cooperative effort between the Nevada Division of Environmental Protection, Bureau of Mining Regulation and Reclamation (NDEP), the U.S. Department of Interior, Bureau of Land Management (BLM) and the Nevada Mining Association (NvMA). This software was developed to facilitate accuracy, completeness and consistency in the calculation of costs for mine site reclamation and has become the industry and agency standard for development of financial assurance calculations. The use of these approaches to bonding since the early 1990s has demonstrated that the mechanism works, with no risk to tax payers.

Additionally, we have been clear in emphasizing up-front restoration as well as progressive reclamation to provide confidence that the environmental benefits of the Stibnite Gold Project will be realized. Mining practices have greatly improved today compared to past decades. Mining and environmental 7

technology and practices have evolved, engineering controls have been developed, federal and state regulatory programs and financial assurance requirements have been adopted and successfully implemented since the early 1990s to ensure comprehensive bonding for mining's impacts. Societal values have also changed and, at Midas Gold, we are very aware of our potential impact on the environment and have taken extensive and comprehensive measures to address those potential impacts. In contrast to historic mining activities, which focused on profit, or in the case of Stibnite, primarily in providing critical and strategic metals for the United States and its allies during World War II with little regard for impacts to the environment, the Stibnite Gold Project was designed from the start with ultimate closure in mind, and with restoration and reclamation as primary design standards.

After five years of study, discussion, thinking, planning, and community and stakeholder input that led to more discussion, re-thinking and re-planning, Midas Gold welcomes the ongoing regulatory review of our comprehensive and integrated plan for the restoration and redevelopment of Stibnite that is set out in the Plan. Midas Gold is supportive of the U.S. Forest Service as it coordinates the review of our Plan by the public, by other federal and state agencies, and by tribal governments. We are committed to continuing our open, respectful communication as we work with government and with all the Stibnite Gold Project's stakeholders to navigate diverse interests in a collaborative manner.

We ask that the U.S. Forest Service conduct a careful evaluation of the environmental, social and economic

impacts of the "no action alternative" to demonstrate what current conditions are and what likely future conditions would be without our proposed action. We are confident that these studies will demonstrate conclusively that the status quo is unacceptable and the activities described in our PRO are the best answer for site rehabilitation in the long term, as well as the means to provide long term stability to the regional economy and tax base through steady well-paid employment.

Thank you for the opportunity to provide comment on our Plan of Restoration and Operations. We are proud of the work that we have accomplished so far, and look forward to the review process ahead.