

Homestake Mining Company
Annual Report to the Lawrence County Commission
Conditional Use Permit Nos. 124 and 144
July 27, 2021

2020 Employment and Contributions

Year End Employment: 11 FTEs plus 2 FT contract employees and 1 PT contract employee

2020 Contributions: \$15,300 including \$14,500 monetary (\$3,000 HMC scholarships) and \$800 non-monetary (Homestake coin for charitable auctions, etc.)

Open Cut Review

Reclamation has been completed at the waste rock facilities

As of the end of 2020:

- Approx. 555 Acres Released
- Approx. 87 Remaining Affected Acres
- Reclamation complete on all affected acres

Complaints

No complaints were received in 2020

Technical Revisions

A Technical Revision to Homestake's Mining Permit, allowing the Sanford Underground Research Facility (SURF) to construct a temporary switchback access road into the southeast wall of the Open Cut was submitted on May 22 and approved on June 23, 2020. The access road was needed for construction of the Long Baseline Neutrino Facility (LBNF) conveyor.

2020 Activities

- Technical Revision for Access Road to Install LBNF Conveyor Support and Conveyor
- Grizzly Gulch Resource Estimate

Technical Revision for Access Road to Install LBNF Conveyor and Support

- A Technical Revision to SMP's 332 and 456 was submitted in February 2017 to allow for the placement of 875,000 tons of excavated rock into the Open Cut from the Sanford Laboratory (SURF)

- In May 2020, SURF requested that a Technical Revision be submitted to construct a temporary switchback access road for installation of the footing for the conveyor support column extending into the Open Cut
- Approx. 0.18 additional acres were disturbed by the construction of the road
- The upper portion of the road was reclaimed following the conveyor construction
- The slot cut through the Open Cut berm for the conveyor tunnel and the upper bench of the road were backfilled with excavated material

Grizzly Gulch Resource Estimate

- Homestake drilled six holes in the Grizzly Gulch tailings for a preliminary assessment of the gold and geochemical composition of the tailings
- The drilling was completed from October 9th to October 13th
- The holes were drilled to near the base of the tailings (ranging in depth from 122 ft. to 277 ft.)
- The holes were subsequently plugged with bentonite grout
- Pending favorable results, Homestake could consider reprocessing tailings or other closure alternatives

Maintenance Projects

- Completed repairs to damage caused to the Grizzly Gulch electrical building and pump barge by the July 10 tornado
- Reshaped the stormwater controls/swales to divert storm water away from and off the road traversing the downstream face of the Grizzly Gulch Dam – Oct.
- Replaced the boilers at the Blacktail Water Treatment Plant – Nov.

2020 Monitoring

Geotechnical Monitoring

- Homestake employs multiple displacement monitoring techniques
 - Prisms and Survey Monuments
 - Piezometers
 - Inclometers
 - Visual Inspections
 - InSAR Monitoring
- Open Cut East Block
 - Area failed on June 14, 2019
 - Failure was contained within the pit boundary on Homestake-controlled property
 - Measurements do not indicate a new area of instability or significant upslope enlargement of existing instability
- Open Cut – Remaining Crest
 - No indications of other recent movements that could represent potential for substantial slope failures

- East Waste Rock Facility
 - Data indicates that dump is behaving as expected with no significant issues
- East Waste Rock Facility (Bobtail Gulch)
 - From 1994 to 2008 showed shear movement
 - A buttress was constructed in 2009 and 2010
 - Movement has slowed following construction of buttress and is expected to continue to slow.
 - Movement is primarily settlement and relaxation of the buttress fill

Deadwood Creek Monitoring Results

- Blacktail Water Treatment Plant treats water emanating from the toes of Sawpit and East Waste Rock Facilities
- WTP system removes selenium and Total Dissolved Solids (TDS) from the water prior to discharging to Deadwood Creek
- Blacktail Water Treatment Plant discharge consistently meets permitted effluent limits
- Instream selenium and TDS levels consistently meet the water quality standards
- Habitat Assessment, Biological and Water Quality Monitoring show no adverse impacts from the mine

2021 Projects

- Continue Water Treatment Agreement with SDSTA. The agreement has been extended for 10 years
- Continue Water Treatment