UPDATE ON SUPERFUND AND WATER QUALITY IN THE ANIMAS RIVER BASIN

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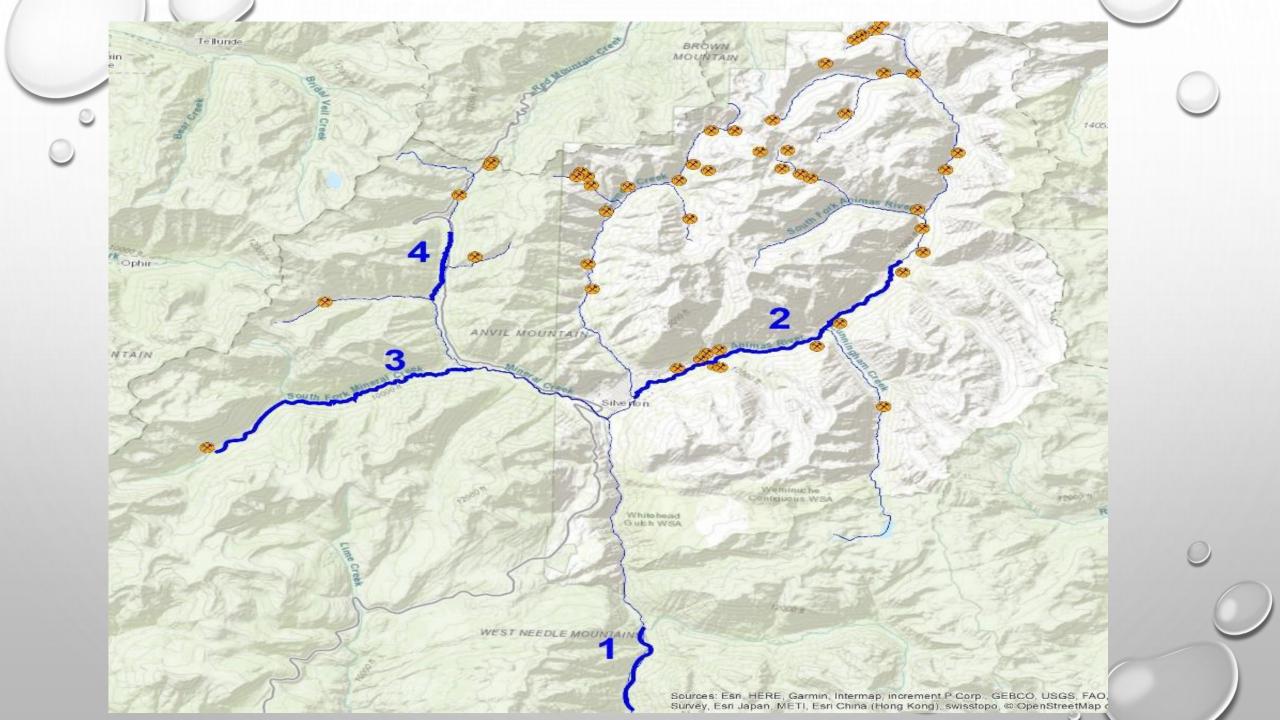
CHAIR, BONITA PEAK COMMUNITY ADVISORY GROUP

4/1/22

BONITA PEAK MINING DISTRICT (BPMD) SUPERFUND SITE — BIG PICTURE

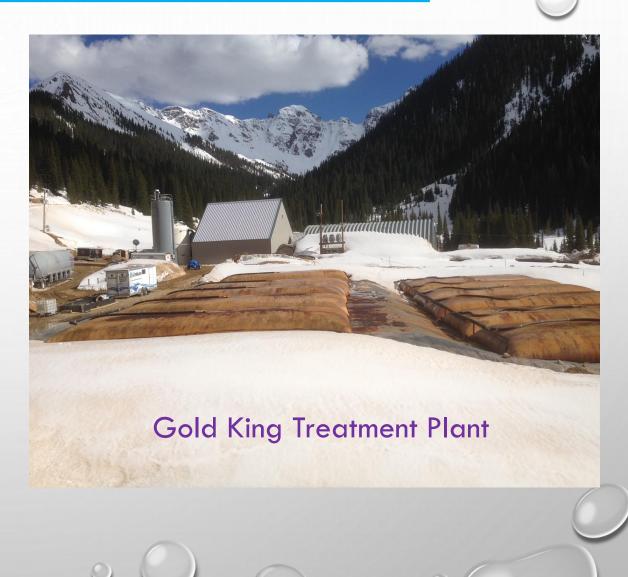
- DESIGNATED IN 2016. CONSISTS OF 46 MINE SITES AND TWO STUDY AREAS. NO SET BOUNDARIES.
- THREE SITE GOALS: IMPROVE WATER QUALITY, STABILIZE SOURCE AREAS, MINIMIZE UNPLANNED RELEASES.
- EXPENDITURES SO FAR:
 - ~\$30 MILLION BY EPA IN 2015 IN RESPONSE TO THE GOLD KING SPILL,
 - ~\$70 MILLION BY EPA SINCE SITE DESIGNATION IN 2016,
 - ~\$14 MILLION BY SUNNYSIDE GOLD CORP,
 - SMALLER AMOUNTS BY BLM, FS, CDPHE, AND OTHER PRIVATE PROPERTY OWNERS.



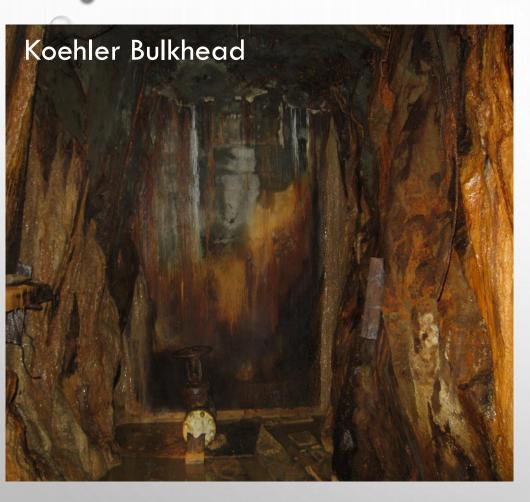


ACTIVITY SINCE SITE DESIGNATION IN 2016

- TREATMENT OF THE GOLD KING MINE DISCHARGE
- DESIGNING A PERMANENT REPOSITORY (START 2023)
- LOTS OF DATA COLLECTION (MANY TYPES OF DATA)
- INVESTIGATIVE WELL DRILLING
- SOME SOURCE STABILIZATION
- NO SIGNIFICANT WATER QUALITY
 IMPROVEMENTS OTHER THAN TREATMENT OF THE GOLD KING

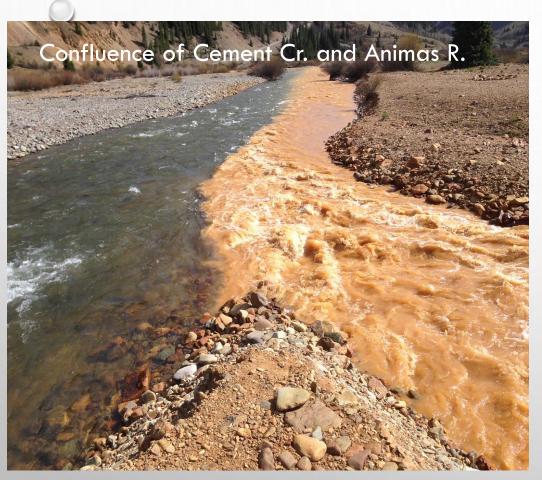


SUPERFUND PROCESS DESIGNED TO SUPPORT LITIGATION FOR COST-RECOVERY



- EPA CAN CLEAN UP SITES AND THEN PURSUE POTENTIAL RESPONSIBLE PARTIES (PRP'S) TO RECOVER COSTS.
- PRP'S INCLUDE CURRENT OR PAST OWNERS OR OPERATORS OF SITES.
- DEEP-POCKETED PRP'S CAN BE HELD RESPONSIBLE FOR ALL COSTS OF SITE EVEN IF THEY CONTRIBUTED TO ONLY A SMALL PORTION OF THE DAMAGES.
- PRP'S CAN SUE OTHER PRP'S TO RECOVER COSTS.
- EPA DOESN'T USE PREVIOUSLY COLLECTED DATA.

UNITED STATES VS. SUNNYSIDE GOLD CORP. (SGC) DRAFT SETTLEMENT



- PAYMENT OF \$90 MILLION DIVIDED EQUALLY BETWEEN U.S.
 GOV'T AND SGC INDICATING EQUAL POTENTIAL LIABILITY.
- BLM, FS, AND EPA ARE ALL PRP'S.
- IN EXCHANGE, U.S. WILL NOT SUE SGC AND VICE VERSA.
 FEDERAL AGENCIES WILL NOT SUE EACH OTHER. SGC WILL
 NOT SUE OTHER PRP'S.
- HOPEFULLY, THIS WILL SETTLE MOST POTENTIAL LITIGATION
 AND ALLOW PARTIES (GOV'T AGENCIES) TO SHARE
 INFORMATION.

BONITA PEAK COMMUNITY ADVISORY GROUP (CAG)

- AN OFFICIALLY RECOGNIZED GROUP OF DIVERSE, LOCAL STAKEHOLDERS ACTING AS LIAISONS BETWEEN EPA AND THE LOCAL COMMUNITY.
- OUT OF 15 MEMBERS, FOUR ARE
 APPOINTED BY LOCAL GOVERNMENTS
 AND THE REST ARE AT-LARGE AND LIVE IN
 THE ANIMAS RIVER WATERSHED.



Animas Confluence with Cascade in April

CAG ACTIVITIES

- MONTHLY MEETINGS.
 - MAINTAIN A WEBSITE (BONITA PEAK CAG).
 - SAMPLE MONTHLY BETWEEN SILVERTON AND BAKERS BRIDGE.
 - PROPOSE WATER QUALITY STANDARDS.

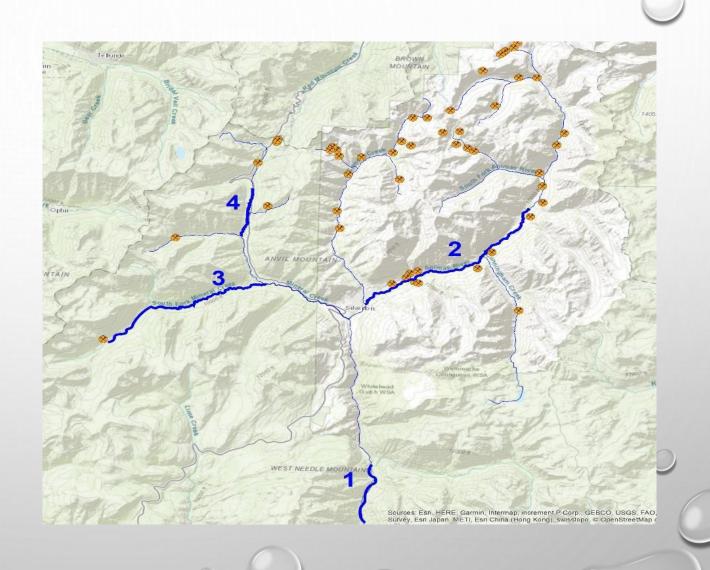




Skiing Down the Tracks from Silverton to Sample

CAG WATER QUALITY PROPOSAL

- OVER A DOZEN MINE REMEDIATION
 PROJECTS NEAR RED MTN. PASS WERE
 COMPLETED PRE-SUPERFUND.
- PROJECTS WERE COMPLETED BY THE ANIMAS RIVER STAKEHOLDERS GROUP, MINING COMPANIES, AND FS.
- ZINC AND CADMIUM CONCENTRATIONS DROPPED BY 72%; COPPER CONCENTRATIONS BY 95%.
- BROOK TROUT MOVED INTO THE SEGMENT.
- ADD AQUATIC-LIFE USE CLASSIFICATION AND ACCOMPANYING STANDARDS.





QUESTIONS?

