CALICO RESOURCES USA CORP.
GRASSY MOUNTAIN MINE PROJECT
MALHEUR COUNTY, OREGON

WILD, SCENIC, OR RECREATIONAL RIVERS
BASELINE REPORT

MAY 2018

Prepared for:

Calico Resources USA Corp.
665 Anderson Street
Winnemucca, Nevada 89445

Prepared by:

Reno: Elko:
1650 Meadow Wood Lane
835 Railroad Street
Reno, Nevada 89502
Elko, Nevada 89801
Phone: (775) 826-8822 | Fax: (775) 826-8857
Phone: (775) 753-9496 | Fax: (775) 826-8857
## TABLE OF CONTENTS

1 INTRODUCTION .................................................................................................................. 1
2 RESOURCE STUDY AREA .................................................................................................. 1
3 REGULATORY FRAMEWORK ......................................................................................... 4
  3.1 Federal .......................................................................................................................... 4
  3.1.1 Wild and Scenic Rivers Act .................................................................................. 4
  3.2 State ............................................................................................................................... 4
    3.2.1 Oregon Scenic Waterways Program .................................................................. 4
4 STUDY METHODOLOGY ................................................................................................. 4
  4.1 Literature Review ......................................................................................................... 4
  4.2 Field Studies .................................................................................................................. 4
5 BASELINE CHARACTERIZATION ................................................................................. 4
6 BIBLIOGRAPHY .............................................................................................................. 6
7 CONTACTS ...................................................................................................................... 6
8 LIST OF PREPARERS ....................................................................................................... 6

## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure 1: Location Map</th>
<th>Figure 2: Permit Area Map</th>
<th>Figure 3: Wild, Scenic, and Recreational Rivers in Malheur County and Vicinity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>
## LIST OF ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLM</td>
<td>Bureau of Land Management</td>
</tr>
<tr>
<td>OPRD</td>
<td>Oregon Parks &amp; Recreation Department</td>
</tr>
<tr>
<td>ORS</td>
<td>Oregon Revised Statutes</td>
</tr>
<tr>
<td>Project</td>
<td>Grassy Mountain Mine Project</td>
</tr>
</tbody>
</table>
1 INTRODUCTION

The purpose of the wild, scenic, or recreational rivers baseline study is to document any state scenic waterways listed in Oregon Revised Statutes (ORS) 390.925, and any federal wild, scenic, or recreational rivers designated under 16 United States Code (U.S.C.) 1271-1287 and Public Law 90-542 near the Grassy Mountain Mine Project (Project). This baseline report will be included in the Consolidated Permit Application (Oregon Administrative Rule 632-037-0055) submitted to the Oregon Department of Geology and Mineral Industries.

2 RESOURCE STUDY AREA

The Project is located in Malheur County, Oregon, approximately 22 miles south-southwest of Vale (Figure 1) and consists of two areas: the Mine and Process Area and the Access Road Area (Permit Area) (Figure 2).

The Mine and Process Area is located on three patented lode mining claims and unpatented lode mining claims that cover an estimated 886 acres. These patented and unpatented lode mining claims are part of a larger land position that includes 419 unpatented lode mining claims and nine mill site claims on lands administered by the Bureau of Land Management (BLM) (Figure 2). All proposed mining would occur on the patented claims, with some mine facilities on unpatented claims. The Mine and Process Area is in all or portions of Sections 5 through 8, Township 22 South, Range 44 East (T22S, R44E) (Willamette Meridian).

The Access Road Area is located on public land administered by the BLM, and private land controlled by others (Figure 2). A portion of the Access Road Area is a Malheur County Road named Twin Springs Road. The Access Road Area extends north from the Mine and Process Area to Russell Road, a paved Malheur County Road. The Access Road Area is in portions of Section 5, T22S, R44E, Sections 3, 10, 11, 14, 15, 21 through 23, 28, 29, and 32, T21S, R44E, Sections 1, 12 through 14, 23, 26, 27, and 34, T20S, R44E, Sections 6 and 7, T20S, R45E, and Sections 22, 23, 26, 35, and 36, T19S, R44E (Willamette Meridian). The width of the Access Road Area is 300 feet (150 feet on either side of the access road centerline) to accommodate possible minor widening or re-routing, and a potential powerline adjacent to the access road. There are several areas shown that are significantly wider than 300 feet on the Permit Area Map (Figure 2), which are areas where the final alignment has not yet been determined. The final engineering of the road will be consistent throughout, and within the Permit Area. The Access Road Area also includes a buffer on either side of the proposed road width for the collection of environmental baseline data. The road corridor will be 40 feet wide, which includes a 24-foot wide road travel width (12 feet on either side of the road centerline), four-foot wide shoulders on each side of the road, minimum one-foot wide ditches on each side of the road, and appropriate cut and fill. The Access Road Area totals approximately 876 acres.
3 REGULATORY FRAMEWORK

3.1 Federal

3.1.1 Wild and Scenic Rivers Act

The Wild and Scenic Rivers Act was enacted by the United States Congress in 1968 and declared that “certain selected rivers of the Nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, shall be preserved in free-flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations” (16 U.S.C. 1271-1287).

3.2 State

3.2.1 Oregon Scenic Waterways Program

The Oregon Scenic Waterways Program was established in 1970 as a response to the federal Wild and Scenic Rivers Act. The Oregon Scenic Waterways Act (ORS 390.855 to 390.865) established procedures to designate new scenic waterways. The Oregon Parks & Recreation Department (OPRD) must be notified if there are any proposed activities within one-quarter mile of the bank of a designated scenic waterway. Types of proposed activities include cutting of trees, mining, construction of roads, railroads, utilities, buildings, or other structures.

4 STUDY METHODOLOGY

4.1 Literature Review

The baseline characterization outlined in this report has been taken from the list and map of national wild and scenic rivers (National Park Service 2016) and a map of Oregon scenic waterways (OPRD 2018).

4.2 Field Studies

Field studies were not necessary for this baseline study per the Environmental Baseline Study Work Plans (EM Strategies, Inc. 2017).

5 BASELINE CHARACTERIZATION

There are no designated wild, scenic, or recreational rivers in the Permit Area. The closest nationally designated wild, scenic, or recreational river is the Owyhee River, located approximately 31 miles to the south of the southernmost tip of the Permit Area. There are two portions of the Owyhee River included in the Oregon Scenic Waterway system: a portion of the main stem of the river, from Crooked Creek to Birch Creek, and a portion of the South Fork, from the Idaho border to the Three Forks area. These two segments total approximately 26 miles (Figure 3).
6  BIBLIOGRAPHY


7  CONTACTS

Richard DeLong
EM Strategies, Inc.
1650 Meadow Wood Lane
Reno, Nevada 89502
(775) 826-8822
rich@emstrats.com

8  LIST OF PREPARERS

EM Strategies, Inc.
Catherine Lee – Report Preparation
Jim Branch – GIS Figure Creation
Ellen Farley – Editorial Review