

PROGRAMMATIC AGREEMENT

BETWEEN THE BUREAU OF LAND MANAGEMENT, TONOPAH FIELD OFFICE, AND THE NEVADA STATE HISTORIC PRESERVATION OFFICER, REGARDING SCORPIO GOLD CORPORATION'S MINERAL RIDGE MINE EXPANSION IN THE MINERAL RIDGE MINING DISTRICT, ESMERALDA COUNTY, NEVADA

PREAMBLE

WHEREAS, the Bureau of Land Management, Tonopah Field Office (BLM) has determined that the Mineral Ridge Mine (Project) is an undertaking as defined in the National Historic Preservation Act (NHPA) because it involves public lands and federal permits; and

WHEREAS, in accordance with the requirements of Section 106 of the NHPA (Section 106), the signatory parties are entering into this Programmatic Agreement (Agreement) because the effects of the Project on historic properties cannot be fully determined prior to the approval of the undertaking and the Agreement is intended to cover all aspects of compliance with Section 106 associated with the Project; and

WHEREAS, the BLM and the Nevada State Historic Preservation Office (SHPO) on August 16, 1996 executed a Memorandum of Agreement (MOA) pursuant to 36 CFR 800, the implementing regulations for Section 106, Regarding Effects of the Mineral Ridge Mine Project, Esmeralda County, Nevada; and

WHEREAS, the actions governed by that MOA have been implemented and responsibilities of the signatories in these matters have been discharged; and

WHEREAS, the BLM, in consultation with the SHPO, has determined previously that the Mineral Ridge Historic Mining District is eligible to the National Register of Historic Places (NRHP) under criteria A, C, and D. In accord with this Agreement, identification and evaluation activities may reveal additional historic properties; and

WHEREAS, the BLM has determined that the project proposed by Scorpio Gold Corporation (Scorpio) may have an effect upon properties eligible for inclusion in the National Register of Historic Places, and has consulted with the SHPO; and

WHEREAS, the BLM has invited the Advisory Council on Historic Preservation (ACHP) to participate in consultation and the ACHP has declined this invitation; and

WHEREAS, the Timbisha Tribe, with ancestral ties to the area, has been contacted and offered the opportunity to consult, will be included throughout the Section 106 process, and the BLM has invited the Timbisha Tribe to be a concurring party to this Agreement; and

WHEREAS, the BLM has elected to use and coordinate the National Environmental Policy Act commenting process as part of the public involvement process for Section 106 of the NHPA, as provided for in 36 CFR 800.2(d)(3); and

WHEREAS, BLM has invited Scorpio to participate in the development of and concur in this Agreement; and

WHEREAS, the definitions given in the State Protocol Agreement between the Bureau of Land Management, Nevada and the Nevada State Historic Preservation Office (Protocol) dated February 12, 2012 apply throughout this Agreement, unless specifically modified below; and

NOW THEREFORE, the BLM and SHPO agree that the Project shall be administered in accordance with the following stipulations, in order to take into account the effect of the undertaking on historic properties.

PURPOSE

The purpose of this Agreement is to establish an understanding among BLM, SHPO, Scorpio, the Timbisha Tribe, and other consulting parties on how the consultation process under Section 106 will be implemented regarding mineral exploration and development of the Mineral Ridge mine. This Agreement defines general and specific measures that will be undertaken by all parties to ensure that the BLM's responsibilities under Section 106 will be fulfilled. Scorpio proposes to expand the Plan of Operations boundary by 508 acres to accommodate future exploration; expand two existing pits; add two new waste rock dumps; increase the ore stacking height on the leach pad; reroute an existing power line; and add communications equipment.

INTENT

It is the intent of this Agreement that all potential effects to historic properties identified will, to the extent practicable, be avoided or mitigated, regardless of surface ownership.

AREA OF POTENTIAL EFFECT

The area of the proposed undertaking is located in lands administered by the BLM in Esmeralda County, and on lands privately held (Attachment 1, Figure 1).

The Area of Potential Effect (APE) for direct effects will be those locations undergoing any exploration and development projects that are subject to surface disturbance within Townships 1 and 2 South, Ranges 38 and 39 East, and will be extended as necessary to include an appropriate zone of analysis in order to facilitate expansion of the direct effect if needed. The zone of analysis for indirect audible and atmospheric effects will be the direct disturbance area including a buffer extending one mile in all directions. The zone of analysis for visual effects will be

determined using Geographical Information System (GIS) viewshed assessment of the area of direct disturbance, incorporating BLM Visual Resource Management (VRM) concepts.

The BLM may amend the APE as needed or as requested by the SHPO, Scorpio, or the Timbisha Tribe without amending the Agreement proper. If this should occur, all consulting parties will receive a formal notification of proposed amended APE. Within 30 calendar days of their receipt of the proposed amendment, any consulting party may request that the PA be amended in accord with the process outlined in Stipulation 12. Following BLM receipt of the request, the Signatories shall prepare an amendment document.

ROLES AND RESPONSIBILITIES

1. BLM is responsible for administering this Agreement and will ensure that all of its stipulations are carried out. This includes but is not limited to ensuring that all parties carry out their responsibilities; overseeing all cultural resources work; and assembling all submissions to the SHPO and consulting parties during the implementation of this PA. The Field Manager is the BLM Authorized Officer for the Project. The Authorized Officer, or their designee, is the Project point of contact for BLM.
2. Scorpio's signatory, or their designees, will be the responsible point of contact for the Project and provide BLM with any and all information needed to implement this Agreement and in Scorpio's possession or reasonably available to Scorpio.
3. Scorpio shall bear the expense of identification, evaluation, and treatment of all historic properties directly or indirectly affected by Project activity. Such costs shall include, but not be limited to, pre-field planning, fieldwork, post-fieldwork analysis, research and report preparation, interim and summary report preparation, publications for the general public, and the cost of curating project documentation and artifact collections. If Scorpio withdraws project applications, then Scorpio shall incur no further expense except for completing fieldwork and post-fieldwork activities (production of final inventory, testing and data recovery reports covering the description and analysis of data, and the curation of materials) that has occurred as of the date of withdrawal.
4. BLM will be responsible for all submissions to SHPO, the Timbisha Tribe, and other consulting parties identified during the implementation of this Agreement for the Project. Any submission to SHPO or interested parties not from BLM will be considered as informational only and will not trigger any compliance timelines or other actions.
5. BLM shall ensure that ethnographic, historic, architectural and archaeological work conducted pursuant to this Agreement is carried out by or under the direct supervision of persons meeting qualifications set forth in the draft Secretary of the Interior's Professional Qualification Standards dated June 20, 1997 (62 FR 33707-33723) and who have been permitted for such work on public lands by BLM.

6. Scorpio, in cooperation with BLM and SHPO, shall provide in-house training to ensure that all its personnel and all the personnel of its contractors and subcontractors are directed not to engage in the illegal collection of historic and prehistoric materials. Subsequent hires will also be required to be subject to similar training. Training can be in association with Scorpio's safety and or related job training and project orientation. Scorpio shall cooperate with BLM to ensure compliance with the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470) on Federal lands and with Nevada Revised Statutes (NRS) 381 and 383 for private lands.
7. Scorpio will be responsible for costs of rehabilitation or mitigation, and may be subject to penalties under applicable federal, state or local law, should damage to cultural resources inside or outside the APE occur during the period of construction, mine operation or reclamation due to the unauthorized or negligent actions of Scorpio, their employees, contractors or any other project personnel operating under Scorpio's supervision, direction, or control.
8. If the Project is sold or otherwise transferred to another proponent other than Scorpio, the BLM and SHPO will determine within 90 days of the sale or transfer if the Agreement will remain in effect, be amended per Stipulation 12a, or be terminated per Stipulation 13a. All provisions of the Agreement will remain in effect until such a determination is made.

The BLM shall ensure that the following measures are carried out:

STIPULATIONS

1. Native American Consultation
 - a. BLM will provide the Timbisha Tribe with an opportunity to consult on all activities outlines within this Agreement under the procedures set forth in BLM manual 8120 and handbook H-8120-1.
 - b. Information considered proprietary by the Timbisha Tribe will be held confidential to the extent provided for under federal law. Relevant details of the consultation process as pertain to identification, evaluation, treatment, discovery, and monitoring will be addressed individually below.
2. Identification
 - a. The BLM shall ensure that a Class III cultural resource inventory of the APE, and any portions thereof not previously inventoried, is completed prior to the initiation of any ground-disturbing activities. This inventory will be in accordance with the Protocol, the BLM's 8100 series manuals, and Nevada BLM's Guidelines and Standards for Archaeological Inventory (5th edition, January 2012) (Guidelines) or any subsequent edition issued by BLM.

- b. The BLM will evaluate whether Historic Properties identified in Class III inventories that are ten years or older should be revisited to relocate such resources and re-evaluate condition and Eligibility determinations, and obtain relevant information necessary for avoidance, treatment, or other mitigation.
- c. Scorpio will contract with a qualified Cultural Resource Management firm (contractor) for all inventories in consultation with the BLM. Scorpio's contractor will submit an inventory report to the BLM.
- d. The BLM will submit an approved inventory report to SHPO for review and comment. If SHPO fails to respond to the BLM within 30 calendar days of receipt of a submission, the BLM shall presume concurrence with the BLM's findings as detailed in the submission and proceed accordingly.
- e. The contractor for Scorpio will document newly identified sites and previously recorded sites on the Nevada IMACS Site Form as presented in the Nevada BLM's Guidelines.
- f. The BLM will ensure that adequate identification efforts are completed without regard for the ownership status of the lands involved.
- g. Unless authorized by the BLM, through consultation with SHPO, no artifacts will be collected during the inventory phase of the fieldwork. In the case of authorized collection, all materials collected will be curated in accordance with Stipulation 4 (g) below.
- h. In accordance with stipulations set forth in the Protocol and the Guidelines, non-linear sites that extend outside the APE will be completely recorded unless the BLM, in consultation with SHPO, determines that a complete recording of a portion of the resource is sufficient for an NRHP evaluation.
- i. Linear resources (e.g., railroads, roads, trails, ditches, fences etc.) crossing and extending beyond the APE will be recorded in accordance with Appendix D of the Protocol. Linear sites will be recorded outside the APE only to the extent necessary to determine eligibility.
- j. The BLM shall consult with the Timbisha Tribe to identify Traditional Cultural Properties (TCPs) or properties of traditional religious and cultural significance.

3. Evaluation

- a. BLM, in consultation with SHPO, the Timbisha Tribe, and other consulting parties, shall evaluate all cultural resources located within the APE for NRHP eligibility (utilizing criteria found in 36 CFR 60.4) prior to initiation of any activities that may affect historic properties. This will include previously recorded and evaluated sites (those sites recorded more than 10 years ago, or those whose current state differs

from that described in the most recent documentation) as well as newly identified resources.

- b. The contractor hired by Scorpio will write historic contexts that will be used as the framework within which all cultural resources, except TCPs, within the APE are to be evaluated for NRHP eligibility. BLM, in consultation with SHPO, shall review and approve these contexts prior to their application.
- c. The entire APE is located within the NRHP eligible Mineral Ridge Historic Mining District (District). All historic sites and isolated elements pertaining to the theme of mining and mineral exploration will be additionally evaluated to assess whether they are contributing or non-contributing elements to the District, per guidance set forth in NRHP Bulletin 36.
- d. The BLM, in consultation with SHPO and the Timbisha Tribe, may authorize an evaluation plan, which could include the issuance of a permit for the purposes of subsurface testing, as outlined under the Archaeological Resources Protection Act (ARPA) in the case that information gathered by the inventory process proves inadequate for determining site eligibility. In developing a subsurface evaluation plan, the BLM shall ensure that any testing is limited to defining the nature, density and distribution of materials within the boundaries of the historic property in question. Such testing is intended to provide the minimum data necessary to make final evaluations of NRHP eligibility and to enable the development of appropriate treatment options.
- e. BLM shall review all documentation of the inventory results, site evaluations, and eligibility determinations created by a contractor hired by Scorpio. Upon acceptance, the BLM shall forward this documentation, with final eligibility determinations, to SHPO for concurrence. If SHPO fails to respond to the BLM within 30 calendar days of receipt of a submission, the BLM shall presume concurrence with the BLM's findings as detailed in the submission and proceed accordingly.
- f. BLM, in consultation with SHPO, the Timbisha Tribe, and other consulting parties, shall apply the NRHP criteria to resources proposed as TCPs. The BLM shall afford the Timbisha tribe time to comment on BLM's NRHP eligibility determinations concerning identified TCPs. If any Tribe, for which a particular property holds religious or cultural significance disagrees with the BLM's eligibility determinations, that Tribe may solicit the Advisory Council to request an official determination of eligibility from the Keeper of the National Register.
- g. If SHPO and BLM are in disagreement regarding the NRHP eligibility of a given property and the dispute cannot be resolved under the terms set forth in the Protocol, BLM shall seek a formal determination of eligibility from the Keeper of the National Register in accordance with 36 CFR 63.2 (d). The Keeper's determination of eligibility will be considered final.

- h. The BLM will ensure that consultation with other consulting parties (as defined in 36 CFR § 800.2(c)), regarding NRHP eligibility determinations occurs in an appropriate and timely manner.
- i. BLM will be responsible for informing Scorpio of eligibility determinations in a timely manner.

4. Treatment

- a. BLM, in consultation with SHPO, the Timbisha tribe, and other consulting parties (as defined in 36 CFR 800.6(2)), shall determine the precise nature of the effects proposed project activities will have on historic properties identified within the APE.
- b. BLM, in consultation with SHPO, the Timbisha tribe, and other consulting parties, shall avoid historic properties through modifications to the design of Project facilities, the relocation of facilities, or by other means, as appropriate and practicable.
- c. Recognizing that avoidance may not be feasible or prudent, BLM, in consultation with SHPO, Scorpio, and other consulting parties as appropriate, shall review and approve an appropriate treatment plan designed to mitigate project related effects to historic properties prepared by Scorpio's contractor.
- d. When archaeological data recovery is the preferred treatment option for an historic property or properties, BLM shall ensure that Scorpio's contractor develops a treatment plan based on an appropriate research design, and that the treatment plan is submitted to SHPO for review and comment prior to the commencement of any recovery activity. Data recovery plans shall be consistent with the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation (48 FR 44716-37) and shall conform to the stipulations outlined in the Protocol and BLM manual 8140.26 and following the guidance provided in the Council's Recommended Approach for Consultation on Recovery of Significant Information from Archaeological Sites, dated June 17, 1999.
- e. For properties eligible under Criterion (A) through (C), other forms of mitigation may be considered in the treatment plan in lieu of, or in addition to data recovery (e.g. oral history, historic markers, exhibits, interpretive brochures, publications, informational websites, etc.). All public media will adhere to BLM Media Design Standards.
- f. Standing structures determined to be National Register eligible in accord with stipulation 3.a above near the APE shall be evaluated in terms of susceptibility to effects caused by blasting and the employment of heavy mining equipment. In the event that effects are determined to be likely, suitable treatment will be developed to mitigate these impacts.

- g. If the SHPO, Tribe, or other consulting party as appropriate (as defined in 36 CFR 800.3(f)) objects to all or part of the proposed treatment plan, the BLM shall attempt to resolve the objection pursuant to Stipulation 11 (below). Upon resolution of the dispute, BLM shall ensure that the final treatment plan, including any modifications to it resulting from the negotiations, is implemented.
- h. BLM shall ensure that all records and material resulting from all identification and treatment efforts are curated in accordance with 36 CFR 79 in a BLM approved facility within the state of Nevada, and that all material is maintained in accordance with 36 CFR 79 until such a time as the analysis of the material is complete. The maintenance of these materials is subject to the following stipulations:
 - i. Unless otherwise negotiated, upon the acceptance of the final report by BLM, all recovered materials must be permanently curated or returned to appropriate claimants pursuant to NAGPRA's cultural patrimony stipulations.
 - ii. BLM shall hold a surety bond from Scorpio as specified in stipulation 10 (below) until the final disposition of recovered materials is determined.
- i. BLM shall ensure that reports on mitigation efforts are prepared in accordance with contemporary professional standards and conform to the Department of the Interior's Formal Standards for Final Reports of Data Recovery Programs (42 FR 5377-79). BLM shall ensure that all reports are completed within 60 days of the conclusion of all field and laboratory work.
 - i. Draft final reports shall be submitted to SHPO for a 30 day review and comment period.
 - ii. Final reports shall be submitted to SHPO.
- j. BLM shall ensure that all final archaeological reports resulting from actions pursuant to this Agreement will be provided to SHPO and made available to other interested parties, subject to the appropriate limitations concerning data accountability:
 - i. Precise site location data may be redacted if it appears that release of such data could jeopardize historic properties.
 - ii. It is within BLM's purview to withhold the release of any and all reports resulting from activities pursuant to this Agreement if the release of those reports may jeopardize historic properties.

5. Discovery Situations

Stipulations of this Agreement and Protocol are intended to identify and mitigate adverse effects to historic properties. Unplanned discoveries of buried cultural resources are not anticipated, however if there is an unplanned discovery, the BLM will ensure that provisions in the Protocol (Section VI.B) and the following stipulations are met.

- a. Cultural resources not previously identified which are discovered while conducting any activities related to the Project are considered subject to the terms outlined in this

- Agreement. If, at any point, such cultural resources are discovered, all ground disturbing activities within 50 meters of the discovered resources will cease immediately and Scorpio shall take adequate steps to ensure the protection of the discovered resource and notify the BLM authorized officer as soon as possible (and in no case later than 24 hours after the discovery). Activity within 50 meters of the discovered resource will remain halted until the BLM Authorized Officer issues a Notice to Proceed per the Nevada State Protocol VII B.1 (a) and Stipulation 8 below.
- b. Prior to the initiation of any development activities within the APE, Scorpio will provide all parties to this Agreement with a list of, and schedule for, employees with the authority to halt activities in a discovery situation, and who will be held responsible for notifying BLM of any discoveries. At least one of these authorized persons will be present during all Project ground-disturbing activities.
 - c. Upon notification of a discovery (with the exception of human remains covered in (i) below), the BLM will ensure that adequate documentation is acquired from the proponent or the proponent's representative, to facilitate a determination of appropriate measures in the mitigation of the discovery.
 - d. BLM shall notify SHPO of its determination of NRHP eligibility and proposed mitigation and consider SHPO's initial comments on the discovery. Within two working days of this notification to SHPO, the BLM shall notify Scorpio, the Timbisha tribe, and other consulting parties as appropriate, of BLM's decision concerning eligibility and what, if any, treatment is being proposed for the mitigation of the discovery.
 - e. If, through consultation with SHPO, BLM determines mitigation is appropriate, BLM shall solicit comments from SHPO, the Timbisha tribe, and other consulting parties as appropriate, on suitable mitigation. BLM will afford SHPO, the Timbisha tribe and other consulting parties, as appropriate, five (5) working days from receipt to provide BLM with comments to be considered when BLM decides on the nature and extent of mitigative efforts.
 - f. If BLM determines mitigation is appropriate, BLM will have 5 working days from the notification of Scorpio of the need for mitigation, to decide the nature and extent of mitigation measure required. BLM shall notify SHPO, the Timbisha tribe, and other consulting parties as appropriate of the decision and insure that the mitigating measures are implemented.
 - g. BLM shall ensure that reports on mitigation efforts for discovery situations are completed in a timely manner and conform to the Department of the Interior's Formal Standards for Final Reports of Data Recovery Programs (42 FR 5377-79).
 - i. Draft final reports shall be submitted to SHPO for a 30 day review and comment period.
 - ii. Final reports shall be submitted to SHPO.

- h. Any disputes or objections arising during a discovery situation that cannot be resolved by the BLM and SHPO shall be referred to the ACHP for comment.
 - i. To facilitate this process, BLM will provide the ACHP with copies of all information on the discovery. In addition, consultation with the ACHP shall be by the most expeditious means available, including telephone, e-mail, or fax.
 - ii. Any ACHP comment shall be taken into account by BLM and BLM will notify the ACHP, SHPO and any interested party of its resolution of the issue.
 - iii. Any activities not the subject of this dispute may be continued by any of the Parties under this Agreement.

- i. Human remains and associated artifacts may be discovered during project development or during controlled archaeological excavations. Where possible, BLM will develop a discovery plan under NAGPRA with Tribes, in accordance with the specific requirements of the Act. In the absence of a discovery plan, BLM will meet requirements of NAGPRA on a case-by-case basis in accordance with 43 CFR 10.
 - i. In all cases Scorpio's representative will immediately notify BLM's Authorized Officer. Contact will be by telephone or in person, followed by written notification, of any discoveries of human remains, associated and unassociated funerary objects, sacred objects or objects of cultural patrimony. General policy and direction for treatment of human remains will be addressed further in all Treatment Plans prepared by Scorpio's archaeological consultant.
 - ii. Immediately upon discovery, all activity will stop and no further activity will take place within a 50 meter perimeter of the discovery. Scorpio's authorized representative will act appropriately to ensure the protection and security of the location. It may be necessary for Scorpio to provide 24-hour onsite security for NAGPRA associated discoveries or other discoveries as directed by BLM. This protection and avoidance will remain in effect until such time as the BLM Authorized Officer has approved the appropriate disposition of the remains in accordance with applicable local, state, and federal statutes,
 - iii. Human remains and associated grave goods found on private land will be handled according to the provisions of appropriate state law (NRS 383), and applicable federal statutes, with guidance provided from BLM manual 8100.08 and 8120.06G, and delineated in Battle Mountain District Instruction Memorandum (IM) NV-2010-001 (Attachment 2) or subsequent version. Scorpio's authorized representative will immediately notify BLM's Authorized Officer and the relevant county coroner or sheriff as appropriate. BLM will notify SHPO within two working days. Scorpio's archaeological consultant, in consultation with the above parties, will assess age, affiliation and circumstances of burial and will notify the BLM Authorized Officer. The BLM will notify the Timbisha Tribe within three working days.

6. Other Considerations

- a. BLM shall ensure that historic, architectural and archaeological work conducted pursuant to the Agreement is carried out by, or under the direct supervision of persons meeting the Secretary of the Interior's Professional Qualifications Standards (48 FR 44738-39) and Nevada BLM standards.
- b. Scorpio shall cooperate with BLM to ensure compliance with the Archaeological Resources Protection Act of 1979 (ARPA) and, in cooperation with BLM and SHPO, shall ensure that all Scorpio personnel and all contractor's personnel are directed not to engage in illegal collections of historic and prehistoric materials or to damage or demolish historic properties.
- c. Scorpio shall bear the expense of identification, evaluation, and treatment of all historic properties directly or indirectly affected by the Project. Such costs shall include, but not be limited to, pre-field planning, fieldwork, post-fieldwork analysis, research, report preparation, interim and summary report preparation, and costs associated with the curation of artifacts and project documents.
- d. Stipulations delineated under Stipulation 5 (above), regarding discovery situations and subsequent responsibilities will be included in all construction, operations, and maintenance plans. Project managers will brief field personnel on these stipulation requirements.

7. Reports and Monitoring

- a. All reporting of inventory results, treatment plans, or other mitigation efforts, will be executed in a professional manner, through utilization of currently acceptable scientific practices and in conformance with guidelines set forth in the Protocol, the BLM Guidelines, and BLM manual series 8110. All final reports submitted to the BLM will include copies of all relevant GIS data generated during activities conducted under this Agreement.
- b. All reporting requirements will be subject to the timelines outlined.
- c. BLM and SHPO may monitor any actions carried out pursuant to this Agreement at any time. To the extent practicable, every effort will be made to minimize the number of monitors involved in the undertaking.
- d. Monitoring may occur during any phase of the proposed mining project, or during any activity covered under this Agreement, that involve areas previously identified through consultation with SHPO and/or the Timbisha tribe to contain historic resources, or that are culturally sensitive. Monitoring will be conducted by a professional archaeologist and may include a representative of the Timbisha tribe. Monitors shall be empowered to stop work to protect resources if that work is inconsistent with the terms of this Agreement or any corresponding treatment or monitoring plan.

- e. All treatment plans drafted as a result of activities performed under this Agreement will include provisions for monitoring.

8. Notices to Proceed

- a. Notices to Proceed (NTP) may be issued by BLM to Scorpio under any of the following conditions:
 - i. The APE has been completely inventoried and BLM, in consultation with SHPO, has determined that there are no cultural resources within the APE; or
 - ii. The BLM, in consultation with SHPO, has determined that no historic properties are present in the APE; or
 - iii. The BLM, in consultation with SHPO, the Timbisha tribe, and other consulting parties as appropriate, have approved a treatment plan for all historic properties affected by the undertaking; and
 - iv. If the approved treatment plan requires additional fieldwork, such as data recovery, Scorpio may not be authorized to proceed with specific mining activities that would affect historic properties until:
 - 1. The fieldwork phase of the treatment option has been completed; and
 - 2. BLM has accepted a summary description of fieldwork performed and a schedule for that work; and
 - 3. BLM shall provide an electronic copy of the summary to SHPO; and
 - 4. SHPO will review the summary and if the SHPO concurs or does not respond within two working days of receipt, BLM shall assume concurrence and issue the NTP; and
 - 5. Scorpio has posted a surety acceptable to the BLM as stipulated in Stipulation 10 below, for post-fieldwork costs of the treatment plan.

9. Time Frames

- a. Inventory: BLM shall review and comment on the results of cultural resources inventories submitted by Scorpio contractors within the time frames indicated in the Guidelines.
- b. Reports:
 - i. A draft final report of all identification, evaluation, treatment or other mitigation activities will be due to BLM within the periods specified in the Guidelines unless otherwise negotiated. Reports on large and/or complicated identification and treatment projects will understandably require more time.

- ii. Any corrections required by the BLM will be incorporated into a final report that will be due to BLM 30 days after receipt of BLM's comments unless otherwise negotiated.
- iii. All draft reports of identification, evaluation, treatment or other mitigation activities will be submitted to SHPO for a 30-day comment period. If SHPO does not respond within 30 days of receipt, BLM shall presume concurrence with BLM's findings and recommendations as detailed in the submittal.
- c. Curation: All records, photographs, maps, field notes, artifacts and other materials collected or developed for any identification, evaluation or treatment activities will be curated in a facility approved by BLM in Nevada and that all materials collected by a contractor will be maintained in accordance with 36 CFR 79 until the final treatment reports are complete and collections are curated. If materials are collected on private lands, BLM shall ensure that all such material to be returned to their owners will be maintained in accordance with 36 CFR 79 until analysis is complete and the materials are returned to the owner.

10. Surety Bonds

- a. Scorpio will post a surety with BLM in an amount sufficient to cover all post-fieldwork costs associated with implementing a treatment plan or other mitigation activities as negotiated by Scorpio when services in support of this Agreement are contracted for. The surety shall be posted prior to BLM issuing any NTP under this Agreement.
- b. The surety posted shall be subject to forfeiture if post-fieldwork tasks are not completed within the time periods established by the treatment plan, provided, however, that BLM and Scorpio may agree to extend any such time periods. BLM shall notify Scorpio that the surety is subject to forfeiture and shall allow Scorpio 15 days to respond before action is taken.
- c. The surety shall be released in whole or part, as specified post-fieldwork tasks are completed and accepted by the BLM.

11. Dispute Resolution

- a. If any party to this Agreement or any interested person objects to any activities proposed pursuant to the terms of this Agreement, the BLM shall consult with the objecting party and SHPO to resolve the issue. If the BLM determines that the objection cannot be resolved, the BLM shall request the assistance of the ACHP to help resolve the objection.
- b. The ACHP shall provide the BLM with its advice on the resolution of the concern within 30 days of receiving adequate documentation. Prior to reaching its final decision on the dispute, the BLM shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP,

SHPO, the Timbisha tribe, and other consulting parties as appropriate; and provide them with a copy of this written response. The BLM will then proceed according to its final decision.

- c. The State Director of the BLM in Nevada will have the authority to make a final determination for any objection that cannot be resolved after taking any comments from the ACHP into account.
- d. Objections raised by a Tribe or interested person that has not participated in Consultation or in this Agreement as a consulting party or interested party shall be handled pursuant to the provisions of 36 CFR 800.4(d)(1)(ii) and 800.5(c)(2)(i).
- e. Any action under this Agreement that is not the subject of an ongoing dispute may be continued by the Parties in this Agreement.

12. Amendment

- a. Any signatory to this Agreement may request that this Agreement be amended, whereupon the signatories will consult to consider such an amendment. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

13. Termination

- a. Any signatory to this Agreement may terminate the Agreement by providing 30 days' notice to the other parties, provided that the signatories consult during the period prior to termination to seek agreement on amendments or other actions that would avoid termination. In the event that this Agreement is terminated, the BLM will comply with the provisions of the Protocol and applicable NHPA regulations.

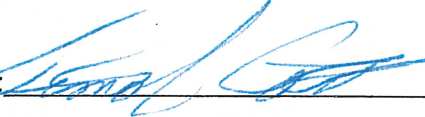
14. Duration

- a. The Agreement shall become effective on the date of the last signature below (Effective Date), and shall remain in effect for a period of ten years. If the Project has not been initiated within five years of the Effective Date, this Agreement will automatically terminate.

Execution and implementation of this Agreement is evidence that BLM has complied with Section 106 of the NHPA and that the BLM is taking into account the effects of the Project on historic properties.

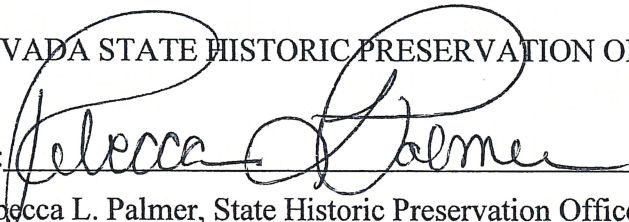
SIGNATORIES:

BUREAU OF LAND MANAGEMENT, TONOPAH FIELD OFFICE

By:  Date: 12/3/13

Timothy J. Coward, Field Manager
Bureau of Land Management, Tonopah Field Office

NEVADA STATE HISTORIC PRESERVATION OFFICER

By:  Date: 12/12/13

Rebecca L. Palmer, State Historic Preservation Officer
Nevada State Historic Preservation Office

CONCURRING PARTIES:

SCORPIO GOLD CORPORATION

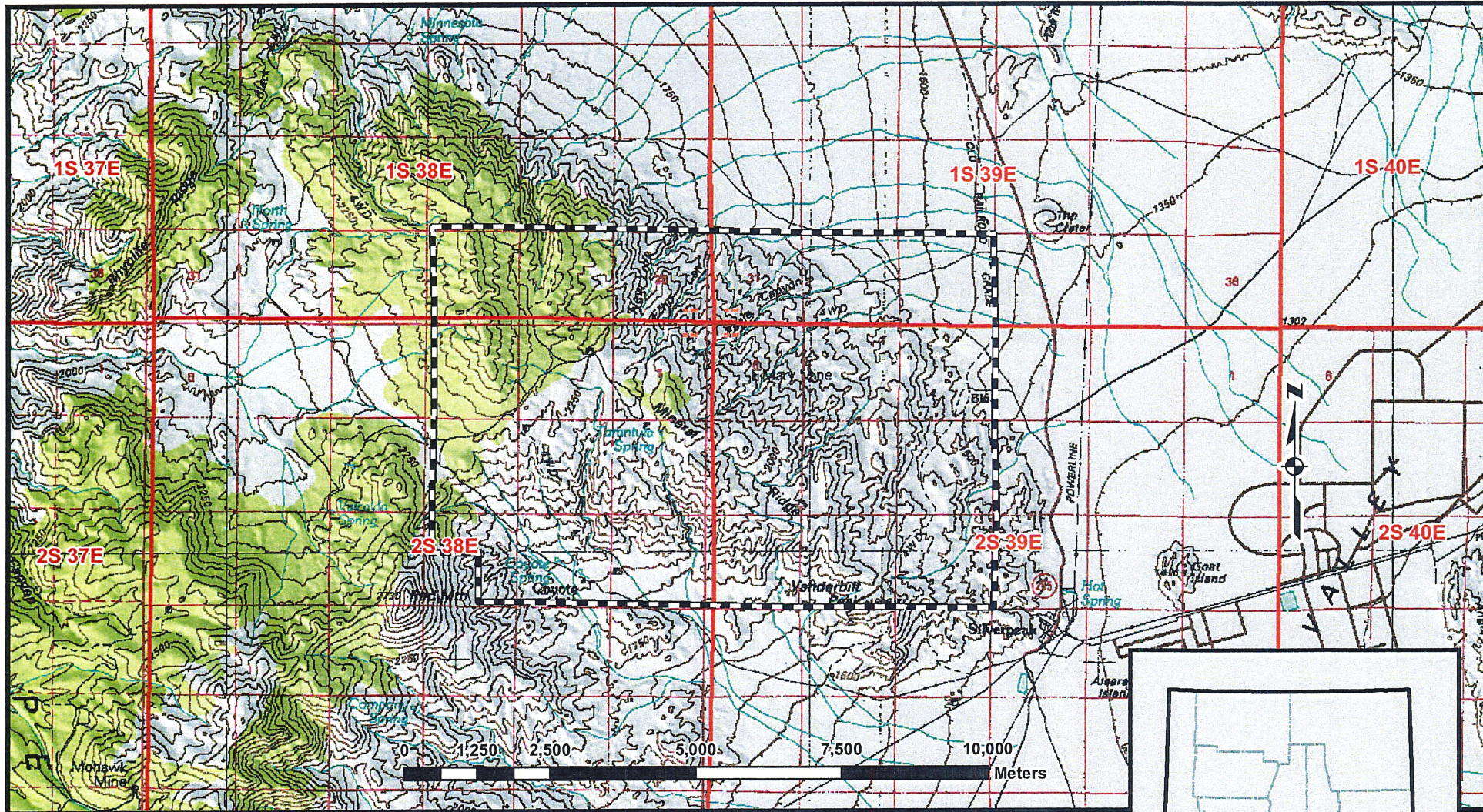
By: _____ Date: _____

Chris Zerga, General Manager

TIMBISHA SHOSHONE TRIBE

By: _____ Date: _____

George Gholson, Tribal Chair



**Attachment 1, Figure 1.
MINERAL RIDGE AREA OF INTEREST**

- Including: Township 01 S., Range 38E., Sections 34-36
- Township 01 S., Range 39 E., Sections 31-33
- Township 02 S., Range 38 E., Sections 01-03, 10-12, 13-15
- Township 02 S., Range 39 E., Sections 06-06, 07-09, and 16-18.

"No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data in individual use or aggregate use with other data."



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