

GRANTS PROJECT  
Physical Reclamation Costs  
2004 Dollars

**SUMMARY ESTIMATE  
HOMESTAKE MINING COMPANY OF CALIFORNIA  
GRANTS PROJECT MILLING COMPLEX  
CEBOLA COUNTY NEAR MILAN, NM**

CPI Calculations to convert the 2003 unit cost \$ to current year \$  
Most Current CPI Value **190.7**  
Jan 2003 CPI Value **181.7**  
**0.049532196**

| Item No.   | Description   | Unit  | Quantity | Unit Cost<br>(Current Year \$) | Total Cost<br>(\$) |
|------------|---|---|----------|--------------------------------|--------------------|
| <b>1.0</b> | <b>FACILITY DECOMMISSIONING</b><br>Mill Decommissioning & Demolition  |   | Complete |                                | \$0                |
| <b>2.0</b> | <b>GROUND WATER RESTORATION</b>                                       |   |          |                                |                    |
| 2.1        | Groundwater Restoration (Operations & Monitoring)                     | YR  |          |                                | \$0                |
| 2.2        | RO Treatment Plant Operation  | YR  |          |                                | \$0                |
| 2.3        | Well Abandonment  | EA  |          |                                | \$0                |
|            | <b>Groundwater Restoration Subtotal</b>                               |   |          |                                | <b>\$0</b>         |
| <b>3.0</b> | <b>INTERIM STABILIZATION OF TAILINGS</b><br>Interim Cover Maintenance |   |          |                                |                    |
|            |   | (Included in ongoing gw restoration operations costs) |          |                                |                    |
| <b>4.0</b> | <b>TAILING IMPOUNDMENT AREA RESTORATION</b>                           |   |          |                                |                    |
| <b>4.1</b> | <b>Large Tailings Pile Closure</b>                                    |   |          |                                |                    |
| 4.1.1      | Settlement Monitoring   |   |          |                                |                    |
| 4.1.2      | Borrow Area Investigation   | Acre  | 400      | 132.77                         | \$53,106           |
| 4.1.3      | Clear & Grub Borrow Areas   | Acre  | 240      | 1,259.44                       | \$302,265          |
| 4.1.4      | Radon Barrier material: haul & placement                              | CY  | 770,000  | 4.41                           | \$3,394,187        |
| 4.1.5      | Rock Cover material: haul & placement                                 | CY  | 87,000   | 4.51                           | \$392,630          |
| 4.1.6      | Construction QA/QC  | Month   | 7        | 57,724.27                      | \$404,070          |
| 4.1.7      | Revegetation of Borrow Areas  | Acre  | 240      | 1,469.35                       | \$352,643          |
|            | <b>Large Tailings Pile Closure Subtotal</b>                           |   |          |                                | <b>\$4,898,901</b> |
| <b>4.2</b> | <b>Pond Closure</b>   |   |          |                                |                    |
| 4.2.1      | Dewatering and/or Water Treatment (allowance)                         | LS  | 1        | 52,476.61                      | \$52,477           |
| 4.2.2      | Removal of sediment - placement in EP1                                | CY  | 80,000   | 3.99                           | \$319,058          |
| 4.2.3      | Removal of liners, & piping - placement in EP1                        | SY  | 86,000   | 0.94                           | \$81,234           |
| 4.2.4      | Excavate underlying impacted soil                                     | CY  | 37,500   | 3.15                           | \$118,072          |
| 4.2.5      | Remove/regrade earthen berms  | CY  | 122,000  | 1.05                           | \$128,043          |
| 4.2.6      | Confirmation Sampling   | Acre  | 25       | 839.63                         | \$20,991           |
| 4.2.7      | Import Fill placement & grading                                       | CY  | 50,000   | 3.04                           | \$152,182          |
| 4.2.8      | Revegetation  | Acre  | 25       | 1,469.35                       | \$36,734           |
|            | <b>Pond Closure Subtotal</b>  |   |          |                                | <b>\$908,790</b>   |
| <b>4.3</b> | <b>Small Tailing Pile Closure</b>                                     |   |          |                                |                    |
| 4.3.1      | Clear & Grub Borrow Areas   | Acre  | 105      | 1,259.44                       | \$132,241          |
| 4.3.2      | Prep and grade of tailings pile surface                               | CY  | 170,000  | 2.05                           | \$347,920          |
| 4.3.3      | Radon Barrier material: haul & placement                              | CY  | 340,000  | 4.57                           | \$1,552,258        |
| 4.3.4      | Rock Cover material: haul & placement                                 |   |          |                                |                    |
|            | Top of Impoundment  | CY  | 32,000   | 4.62                           | \$147,774          |
|            | Impoundment side slopes   | CY  | 28,000   | 6.56                           | \$183,668          |
| 4.3.5      | Construction QA/QC  | Month   | 4.5      | 57,724.27                      | \$259,759          |
| 4.3.6      | Revegetation of Borrow Areas  | Acre  | 105      | 1,469.35                       | \$154,281          |
|            | <b>Small Tailing Pile Closure</b>                                     |   |          |                                | <b>\$2,777,902</b> |
| <b>5.0</b> | <b>RADIOLOGICAL SURVEY AND ENVIRONMENTAL MONITORING</b>               |   |          |                                |                    |
|            | Radon Flux Measurements on Tailing Piles (post-closure)               | LS  | 1        | 40,931.76                      | <b>\$40,932</b>    |
| <b>6.0</b> | <b>DEMOLITION OF REMAINING FACILITIES</b>                             |   |          |                                |                    |
| <b>6.1</b> | <b>RO Plant Demolition</b>  |   |          |                                |                    |
| 6.1.1      | Demolition of plant - placement in EP1                                | LS  | 1        | 144,310.68                     | \$144,311          |
| 6.1.2      | Backfill/regrade demolition area                                      | CY  | 1,500    | 3.15                           | \$4,723            |
| 6.1.3      | Revegetation  | Acre  | 2.5      | 1,469.35                       | \$3,673            |
|            | <b>RO Plant Demolition Subtotal</b>                                   |   |          |                                | <b>\$152,707</b>   |

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| <b>6.2</b>   | <b>Office/Shop Area Demolition</b><br>(office-truck shop, warehouse bldg, & rel. bldg in admin compound) |       |          |                                |                    |
| 6.2.1        | Demolition of buildings  | LS    | 1        | 73,467.25                      | \$73,467           |
| 6.2.2        | Demolition of Water Tanks  | EA    | 2        | 15,742.98                      | \$31,486           |
| 6.2.3        | Removal of yard gravel - placement in EP1  | CY    | 4,000    | 3.67                           | \$14,693           |
| 6.2.4        | Backfill/regrade demolition area   | CY    | 1,500    | 3.15                           | \$4,723            |
| 6.2.5        | Revegetation   | Acre  | 5        | 1,469.35                       | \$7,347            |
|              | <b>Office/Shop Area Demolition Subtotal</b>  |       |          |                                | <b>\$131,716</b>   |
| <b>7.0</b>   | <b>PROJECT MGMNT - CONSULTING/ENGINEERING SUPPORT</b>  |       |          |                                |                    |
| <b>7.1</b>   | <b>Large Tailings Pile Closure</b>   |       |          |                                |                    |
| 7.1.1        | Final Design & Contract Document Prep  | LS    | 1        | 37,783.16                      | \$37,783           |
| 7.1.2        | Proj Management & Construction Oversight   | Month | 7        | 39,882.22                      | \$279,176          |
| 7.1.3        | Prepare Completion Report  | LS    | 1        | 37,783.16                      | \$37,783           |
|              | <b>LTP Project Management Subtotal</b>   |       |          |                                | <b>\$354,742</b>   |
| <b>7.2</b>   | <b>Final Closure &amp; Demolition (RO plant, ponds, STP)</b>   |       |          |                                |                    |
| 7.2.1        | Final Design & Contract Document Prep  | LS    | 1        | 45,339.79                      | \$45,340           |
| 7.2.2        | Proj Management & Construction Oversight   | Month | 8.5      | 39,882.22                      | \$338,999          |
| 7.2.3        | Prepare Completion Report  | LS    | 1        | 45,339.79                      | \$45,340           |
|              | <b>STP Project Management Subtotal</b>   |       |          |                                | <b>\$429,678</b>   |
| <b>7.3</b>   | <b>Shop Area Demolition</b>  |       |          |                                |                    |
| 7.3.1        | Final Design & Contract Document Prep  | LS    | 1        | 5,037.75                       | \$5,038            |
| 7.3.2        | Proj Management & Construction Oversight   | Month | 0.5      | 39,882.22                      | \$19,941           |
| 7.3.3        | Prepare Completion Report  | LS    | 1        | 5,037.75                       | \$5,038            |
|              | <b>Shop Area Project Management Subtotal</b>   |       |          |                                | <b>\$30,017</b>    |
| <b>TOTAL</b> |  |       |          |                                | <b>\$9,725,385</b> |