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LOCAL NEWS

Sides rally for support after Zephyr Minerals applies for mining permit

Public comment period deadline Aug. 31



Will Felderhof, the executive chairman and director for Zephyr Minerals, a Canadian-based gold exploration and development company, points to Dawson Ranch from Windy Gulch during a tour of the area Sept. 13.

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Zephyr Minerals has applied for a mining permit for the Dawson gold deposit with the Colorado Department of Reclamation and Mine Safety.

The application is for a proposed underground mine, mill, mine support facilities and a dry stack tailings facility.

With the public comment period deadline rapidly approaching on Aug. 31, both Zephyr and its opponents are asking for community support for their respective sides.

"There is a lot of technical information in the application because we engaged a lot of professionals to assist us in putting it together," said Will Felderhof, executive chairman of Zephyr Minerals Ltd. "It was put together with the assistance of engineers, environmental specialists, water experts and other specialists in their field."

He said from his point of view, this is an environmentally benign project.

"We are going to be mining in an environmentally responsible way on private property and there is nothing at risk that we see," Felderhof said.

A newly formed group, the Arkansas Valley Conservation Coalition, opposes the gold mine, citing concerns about water, fires, the environment and traffic.

"There is just nothing good that is going to come out of this, particularly for the Fremont County area," said Mike Gromowski.

Water

Cindy Smith of the AVCC said water is one of her biggest concerns.

"The depletion of water and the pollution," she said. "They'll have chemicals and explosives up there; it's 1,000 feet above Grape Creek, and I am concerned about the chemical pollution that can happen and what happens to our wildlife."

The mine operation will manage process water and stormwater. The mill process water will flow through a closed recycling system with very little discharge if any, according to Zephyr materials. Stormwater will be managed with control structures that direct the surface flow into a sedimentation pond.

"Our plant uses water, but it's all recycled water," Felderhof said. "We're not taking water away from the citizens. If anything, we might have some excess water and what would be released into the environment would go into a sediment pond so there's no sediment coming out of it and water coming out of it would be cleaner than what comes out of the tap."

Fire

"Our site will be a non-smoking site," Felderhof said. "It certainly won't be because somebody threw a cigarette butt out. Most wildfires start from lightning or campers, I don't think there are any fires attributed to modern mining that I can recall."

Diesel fuels and explosives will be on-site, but they will be properly contained and handled according to regulations, he said.

"Those regulations are very rigorous and robust," Felderhof said. "A lot of people don't realize that."

Gwomowski said the potential of chemicals and explosives igniting a fire is his biggest concern.

"In the permit application itself, it says that they will provide a fire prevention plan – there isn't one in the permit application currently," he said. "It's stated pretty clearly that if and when the permit application gets delivered to the planning department within the county, then they will include a fire protection plan, but right now there isn't one. Moreover, the only thing the permit said is they have 'sufficient' water for fire protection."

Eve Nagode of the AVCC said in the case of the 2013 Royal Gorge Fire, it blew all the way to Cañon City and was only stopped after the wind changed directions, despite having fire contingency plans and a water truck at the park.

"Fire is becoming a more increasing risk to all communities," she said. "Why introduce something that will booster that risk?"

Environment

Felderhof said Zephyr is not defacing the mountain because the operation will be underground. The top of the deposit is 350 feet below the surface.

"The portal will be 12 feet by 15 feet, we will have a flat base for that, you won't be able to see that," he said. "Even when we are finished, we can probably reclaim that so you cant' see it."

The reclamation also will be according to the standards required by the state.

"We will put up a cash/surety bond to make sure that's fully funded," he said. "We are not going to disappear in the nighttime, that's not what it's about. We are responsible people, we've demonstrated that since 2013. We have a reputation to protect, and we

work with the regulators. They know exactly what we are doing and we don't do anything without them knowing about it if it affects them."

Traffic

"Our intent is not to have the people who work there coming in and out all of the time," Felderhof said. "Our intent will be to have them park their vehicles at a suitable location in Cañon City or the outskirts of Cañon City and they will be bussed, so there will only be the one vehicle."

Other support vehicles will be coming and going, but Zephyr will do its best to minimize it, Felderhof said.

Felderhof expects about \$17.5 million to go back into the local economy during the life of the project for things like labor, services, materials and electricity.

"There are people in Cañon City who would love that kind of economic boost," he said. "A lot of businesses and services that will benefit from this. This is the message that we are trying to get across to people who are sitting on the fence and not sure whether to oppose us or support us. If you support us, this is what might happen and we are working hard to try to get there."

Members of AVCC still aren't convinced.

Smith said if gold is found in the mine, a few people will benefit, but the overall public won't.

"It's a perceived financial benefit," said Bob Nagode. "The risk, however, is extremely real."

Felderhof expects the DRMS to render a decision around the end of the year or early next year. Prior to that, a public hearing will be conducted at a yet-to-be-determined date and location. If approved, Zephyr will apply for a permit with the Fremont County Board of Commissioners, which also will conduct a public hearing before a decision is made.

The scheduling of the underground program will hinge on obtaining the mining permit and requisite funding.

The permit application may be found at https://bit.ly/3D1ocK7.

To submit a comment to the DRMS, go to https://dnrlaserfiche.state.co.us/Forms/DRMS_Comment. The mining permit number for the Dawson Gold Mine is M2021046.

For more information on Zephyr and the Dawson gold project, visit https://www.zephyrminerals.com/.

For more information on the Arkansas Valley Conservation Coalition, visit www.savefremontcounty.org.