Permitting the Dry Ridge Phosphate Exploration Project in Southeast Idaho

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Presented to:

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DRY RIDGE PHOSPHATE EXPLORATION PROJECT ENVIRONMENTAL ASSESSMENT DOI-BLM-ID-I020-2014-0051-EA





United States Department of the Interior Bureau of Land Management Idaho Falls District 1405 Hollipark Drive Idaho Falls, Idaho 83403

and

United States Department of Agriculture United States Forest Service Caribou-Targhee National Forest 1405 Hollipark Drive Idaho Falls, Idaho 83403

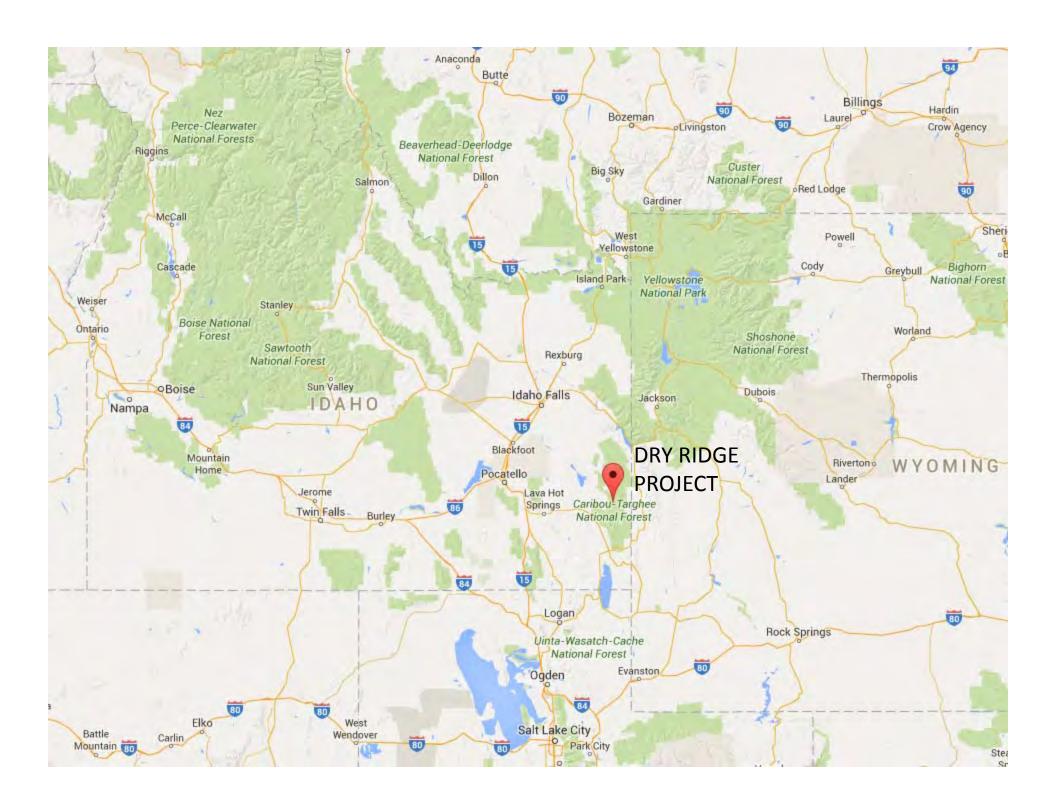


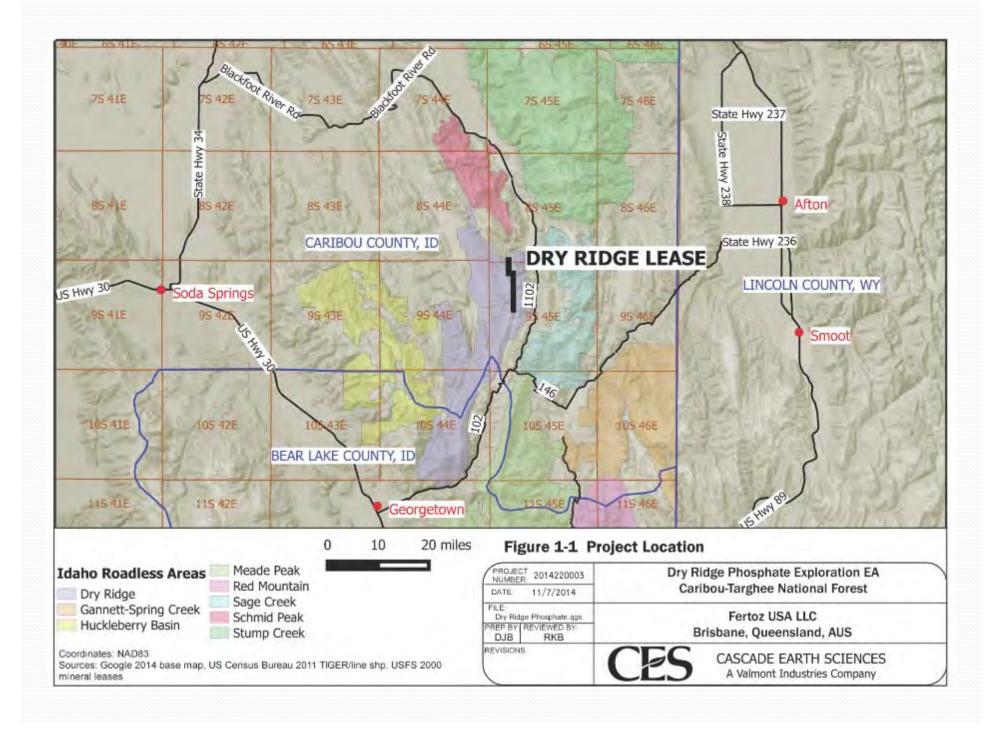
Fertoz Limited (ASX: FTZ)

- Australian company
- IPO Sep 2013
- Mining/selling highgrade phosphate deposits for organic farmers
- First sale Jan 2016
- FertAg JV in AUS for Asian-sourced phosphate



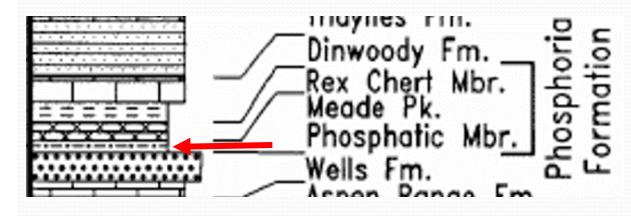






Stratigraphy

- Target: Permian Meade Peak Phosphatic Shale Member of Phosphoria Formation
- Below Rex Chert of Phosphoria
- Above Wells Formation



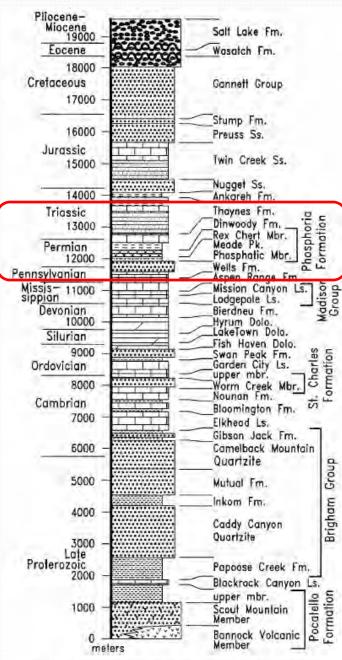


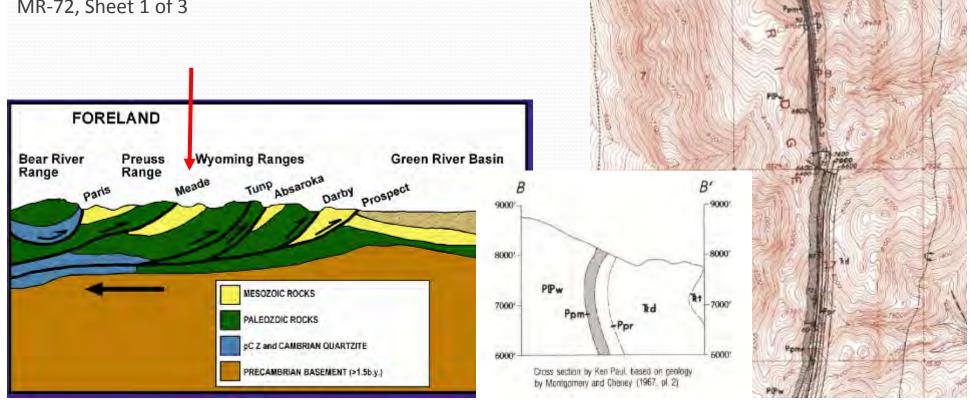
Figure 2. Generalized strattgraphic column for the southeastern Idaho thrust belt (from Link and Phoenix, 1996).

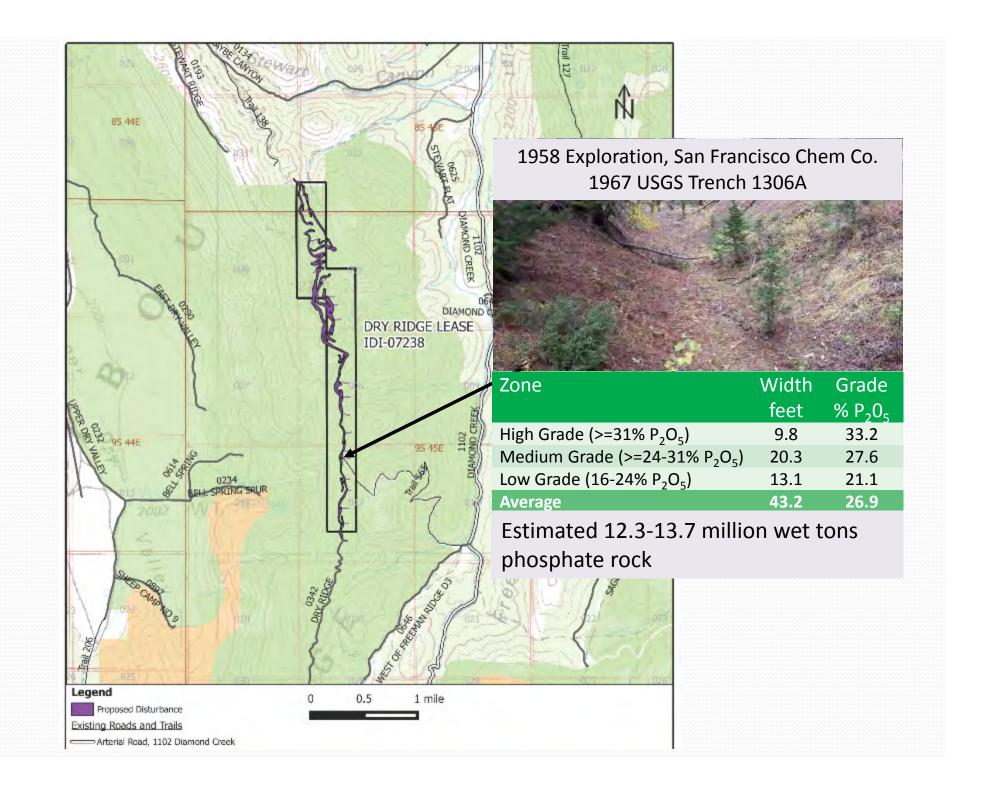
Structure

- Meade thrust plate of Idaho-Wyoming Fold-Thrust Belt
- West, overturned limb of Georgetown Syncline

Source: USGS, 1984, Misc. Invest. Res. Map

MR-72, Sheet 1 of 3

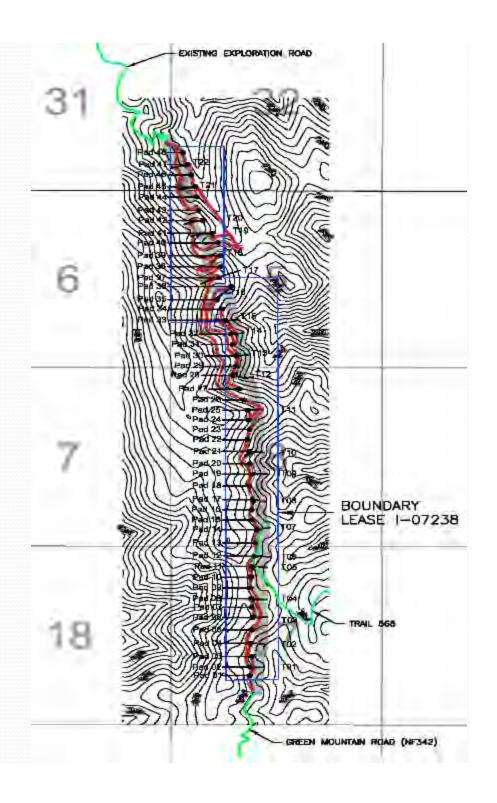




Proposed Disturbance

- 7.4 miles temp roads
 - 26.8 acres, 2.9 off-lease
- 22 Surface Trenches
 - 1.9 acres
- 48 Drill Pads
 - 2 core holes per pad
 - 3.3 acres
- 32.0 acres total





Milestones

2014

- Apr Exploration Plan
- Sep Scoping Letter / Public Notices
- Nov Cultural Resource Inventory, Wildlife Survey
 2015
- Jan Water Resource Reconnaissance Survey
- Feb Biological Assessment
- May Environmental Assessment
- Jun Project Record
- Jul Agency Final Decisions



Issues for Analysis

- Water Resources and Aquatic Areas
- Soils
- Vegetation
- Wildlife
- Roadless Areas
- Transportation Facilities and Public Access
- Tribal Treaty Rights and Interests



Soil Impacts

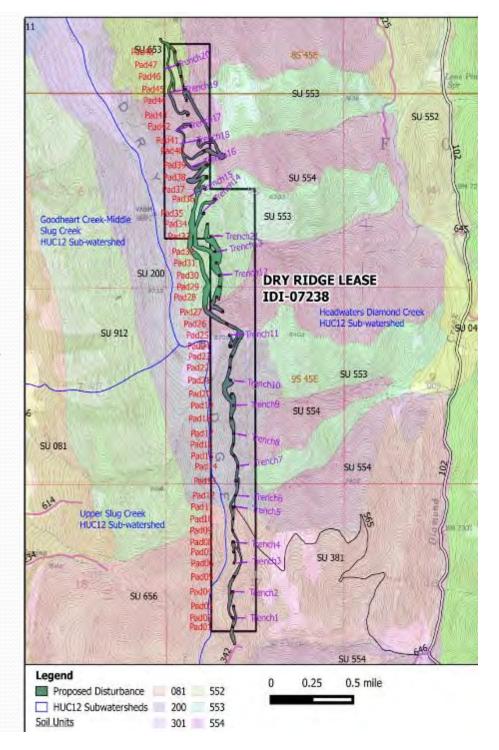
- Soil productivity
- Erosion potential
- Indicators
 - 32 acres disturbance
 - Duration of project
 - Acres reclaimed

Env. Protection Measures

- Operations limited to Jun-Oct
- Concurrent reclamation
- Seasonal closure BMPs
- Limit disturbance near water
- Stormwater plan
- Road grades <10%

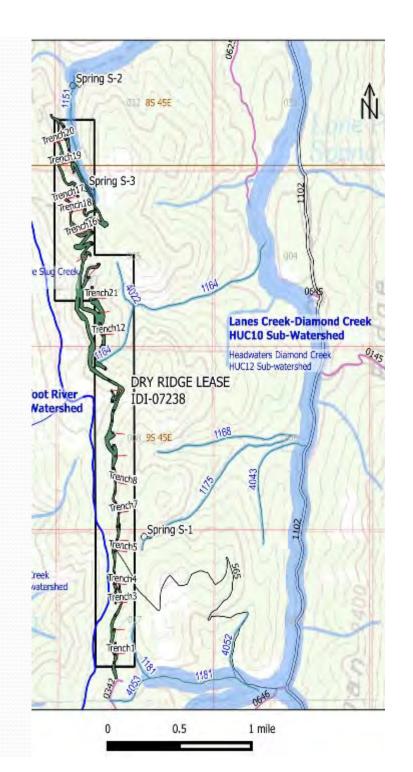
Mitigation

- Salvage topsoil
- Possibly special measures



Surface Water

- Sedimentation
- Drilling fluid containment
- Soil selenium releases
- Indicators
 - 32 acres disturbance
 - 1.1 acres in drainages
- Env Protection Measures
 - Same as soil EPMs
 - Shallow/limited disturbance
 - Minimal cuttings by core drilling
 - Drilling above regional aquifer
 - Plug drill holes
- Mitigation
 - Schedule work in drainage when dry



Vegetation

- Removal of vegetation
- Indicators
 - 32 acres disturbance
 - Mature to old age classes
 - No old-growth
 - Recovery: 3-5 years seral vegetation, 35-100 years big sagebrush, 100+ years canopy (trees)
- Environmental Protection Measures
 - Limit disturbance to area proposed
 - Implement reclamation plan
- Mitigation
 - None proposed

Vegetation Community	Acres	Pct
Mixed conifer	6.9	22
Douglas fir	7.9	25
Lodgepole pine	7.4	23
Aspen	3.9	12
Sagebrush/mtn brush complex	5.9	18
Total	32.0	100

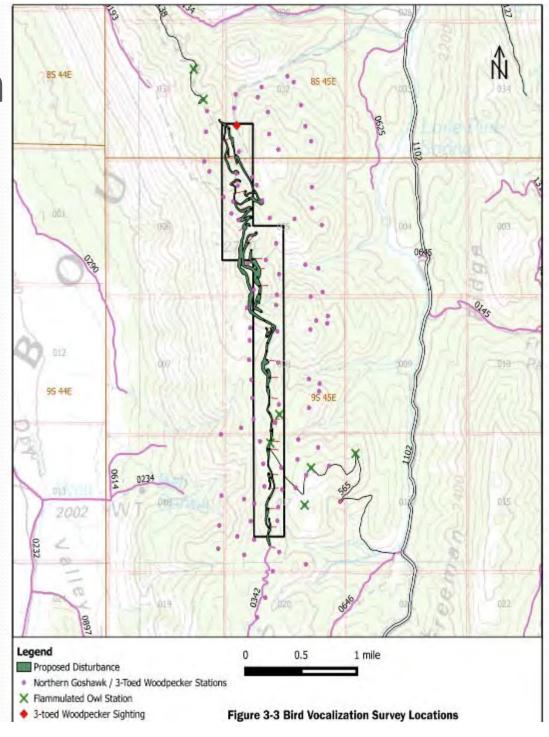
Fish and Wildlife

- Endangered Species Act list No Effect
 - Canada Lynx transient/incidental
 - 2 other species no presence
- Sensitive Species and Management Indicator Species
 - Known three-toed woodpecker
 - Probable 8 species (bat, wolf, wolverine, raptors, trout)
 - Not expected 7 species (bat, rabbit, eagle, grouse, toad, chub)
 - No presence 3 avian species



Bird Vocalization Surveys

- July 2014
- No goshawks
- No flammulated owls
- One 3-toed woodpecker



Fish and Wildlife Indicators/Impacts

- Indicator: Timing
 - May overlap bird nesting season
- Habitat Impacts temporary to long-term
- Population loss negligible
 - Narrow disturbance, short duration, no unique habitats
- Selenium Impacts soil disturbance
 - Small area compared to regional outcrops
 - Wildlife will tend to avoid disturbance
- Species Impacts individuals not populations



Fish and Wildlife Mitigation

For exploration prior to August 15:

- Additional surveys for owls required
 - Conduct at night
 - Schedule March June
 - Safety considerations (snow, steep slopes)
 - Additional mitigation if nests/territories could be impacted
- Request an exception for migratory birds
 - Survey active migratory bird nests
 - Adjust work schedules / locations to extent practical



Transportation

- Access from south via NF Road 342
- Access from north via existing exploration roads
- Project travel will not affect open motorized routes
- No change in public access
- No changes to existing roads
- Public travel on project temporary roads will be restricted



Roadless Characteristics

- Project within Dry Ridge Roadless Area
- Project under General Forest, Rangeland and Grassland (GFRG) Theme
- Minor, temporary impacts to roadless characteristics
- Temporary exploration roads authorized by Idaho Roadless Rule



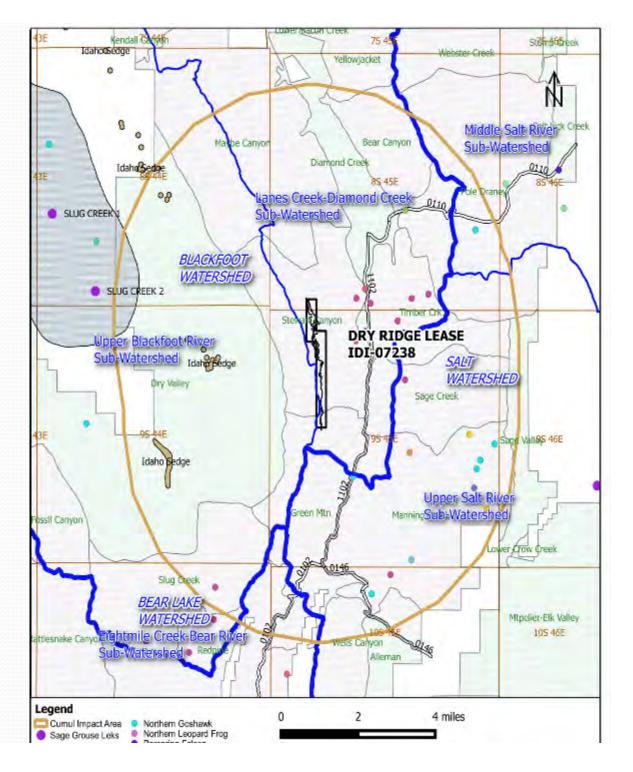
Tribal Treaty Rights / Interests

- No specific traditional resources known
- Localized, temporary changes in access to resources
- No change in land tenure or leasing
- No additional mitigation necessary



Cumulative Impact Areas

- Wildlife
 - 5-mile buffer
- Water Resources
 - Headwaters Diamond Creek Subwatershed (21.07 square miles)
- Soil and Vegetation
 - project disturbance area
- Transportation
 - mgt prescription areas on/adjacent to lease
- Roadless
 - Dry Ridge IRA
- Tribal Rights/ Interests
 - southeast Idaho



Cumulative Impacts

- Project impacts added to existing disturbance
- Thresholds established in revised forest plan
- Minimal to none for all resources



Agency Decisions

US Forest Service

- Special Use Authorization for off-lease road construction
- Identify mitigation measures
- Ensure compliance with Idaho Roadless Rule

BLM

- Approval of exploration plan
- Specify conditions of approval



Decisions and Conditions

- FONSIs by USFS and BLM
- Conditions of approval include:
 - Conformance with exploration plan
 - Coordination with agencies on specific matters
 - Additional bird surveys depending on work timing
 - Contingencies as described in plan and EA



Project Status

- Fertoz currently focusing on Canadian projects
- Interested in joint venture at Dry Ridge



Questions?

