

# EXHIBIT V

Project No. 2890-01  
March 6, 2012

Mr. Richard Sykora  
P.O. Box 622  
Foresthill, California 95631

**Reference:** *Big Seam and Red Ink Maid Mining Claim*  
Placer County, California

**Subject:** *Observation of Wasterock Stockpile 5*

Dear Mr. Sykora,

At your request, a representative of Holdrege & Kull visited the site to meet with you and observe the existing conditions at wasterock stockpile 5. Representatives from Congressman Tom McClintock's office and State Senator Ted Gaines' office were also onsite at the time of our site visit. The purpose of this letter is not only to document our site meeting, but to clarify our understanding of the wasterock placement procedure at stockpile 5. We previously provided a stability analysis of the proposed stockpile as well as recommendations for rock placement in a letter dated March 30, 2007.

### ***Temporary Slope Conditions***

During our site visit, we observed that minor wasterock placement had occurred in the upper portions of the proposed stockpile area, generally near the existing access road serving the stockpile. The wasterock placement had resulted in an estimated 38 degree to 40 degree slope, which appeared to be at the approximate friction angle of the wasterock. We estimated that the toe of the existing wasterock slope was approximately 40 to 50 feet upslope from the proposed toe of slope under the finished slope condition.

As described in our March 30, 2007 letter, during wasterock placement temporary slope gradients approaching the friction angle of the material will occur, particularly at the location of dumping. Temporary, oversteepened slopes are expected during wasterock placement, particularly during the initial stages when access to the stockpile is limited. However, it is critical that the finished slope gradient at the end of wasterock placement not exceed the recommended slope gradient of 33 degrees (1½:1, horizontal to vertical) unless the stability of the steeper configuration has been confirmed.

We anticipate that once sufficient material has been placed in the stockpile area to allow the construction of an access berm or bench, it will be possible to employ gentler slope configurations.

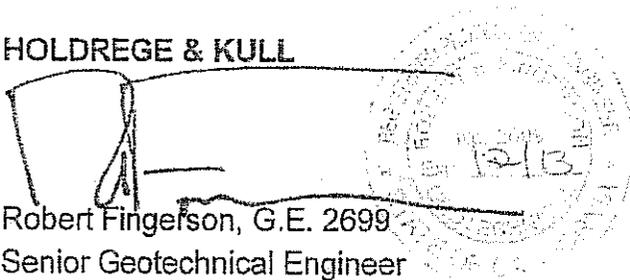
### **Debris Barriers**

The plan sheets associated with our March 30, 2007 letter indicated the construction of debris or sediment barriers downslope from the proposed toe of the stockpile. The intent was that the debris barrier, (or the gabion basket wall, if that option was selected) be installed prior to wasterock placement. We understand from our site meeting that the gabion wall option is the preferred option at the site. We further understand that the gabion wall has not yet been constructed due to limited access, and that the intent is for the gabion wall to be constructed following the placement of sufficient wasterock to allow the construction of an access bench or berm across the slope. We recommend that the gabion wall be installed once sufficient wasterock has been placed to allow the construction of the access.

We appreciate the opportunity to provide you with our services. If you have any questions regarding this letter, please feel free to contact us.

Sincerely,

**HOLDREGE & KULL**



Robert Fingerson, G.E. 2699  
Senior Geotechnical Engineer

copies: 2 to Richard Sykora

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