

Part VII: GHG Emissions – Exhibit 2

Applicable sinks, sources, and reservoirs (SSR) of GHGs for purposes of estimating baseline emissions of active underground mine methane drainage activities outlined in section 4.2 of the Compliance Offset Protocol Mine Methane Project include:

- Active underground mine methane emissions;
- On-site electricity generation;
- On-site thermal energy generation;
- On-site flaring;
- Vehicle Operation

The active underground mine methane drainage activities associated with the American Soda Waste Mine Methane Project does not involve onsite electricity generation or dedicated vehicle operations. As a result, these SSRs of typical active underground mine methane drainage activities have been excluded from the baseline emissions estimates of the Mine Methane Capture (MMC) Project.

To estimate the baseline emissions of the MMC Project, equations 5.13-5.16 in Section 5.2 of the Compliance Offset Protocol are applicable. To quantify baseline emissions of the active underground methane drainages activities, mine gas ("MG") captured from post mining gob wells is monitored for methane concentration (%) and flow (SCFM) to qualified destruction devices. Flow is converted to standard pressure and temperature. These measurements estimate baseline emissions from the destruction of methane and the emissions from the release of methane. Baseline emissions are converted to tonnes CO₂e for reporting the final estimates of the project.

Clarifications and assumptions in the calculations of estimated baseline emissions:

- There are no non-qualifying destruction devices that are part of the Waste Mine Methane Project and as a result $MM_{B,i}$ equation 5.15 is assumed to be equal to zero.
- The Waste Mine Methane Project utilizes only post-mining gob wells ("PGW") and it is assumed that only $PGW_{P,i}$ and $PGW_{B,i}$ in equation 5.16 are applicable sources of mine gas ("MG").
- There are no non-qualifying destruction devices that are part of the Waste Mine Methane Project and as a result $PGW_{B,i}$ in equation 5.16 is assumed to be equal to zero.
- There is not a destruction device attached to ventilation air systems and as a result $MG_{SUPP,i}$ and $C_{CH_4,MG}$ are considered to be zero and not applicable.
- Standard density of CH₄— 0.0423 lb CH₄/scf CH₄
- MT CH₄/lb CH₄ - .000454
- $C_{CH_4,t}$ is a daily time weighted average of MM concentration and daily MG volume over the reporting period.

The quantitative estimate of the baseline Mine Methane (MM) emission of the active underground mine methane drainage activities for one year are estimated at approximately 390,000 tons of tCO₂e.