



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor

Leo M. Drozdoff, P.E., Director

Colleen Cripps, Ph.D., Administrator

NOTICE OF DECISION – Bureau of Mining Regulation and Reclamation

Web posting 07 / 12 / 2011

Deadline for appeal 07 / 22 / 2011

Permit #NEV0000020

Jerritt Canyon Mine

Queenstake Resources USA, Inc.
Elko, NV

The Nevada Division of Environmental Protection has decided to issue the Major Modification for Water Pollution Control Permit NEV0000020 to Queenstake Resources USA, Inc. This permit authorizes the construction, operation, and closure of a new, double-lined tailings storage facility (TSF-2) and associated ponds, basins and ancillary components at the approved mining facility in Elko County. The Division has been provided with sufficient information, in accordance with Nevada Administrative Code (NAC) 445A.350 through NAC 445A.447, to assure the Division that the waters of the State will not be degraded by this operation, and that public safety and health will be protected.

The permit will become effective July 27, 2011. The final determination of the Administrator may be appealed to the State Environmental Commission pursuant to Nevada Revised Statute (NRS) 445A.605 and NAC 445A.407. All requests for appeals must be filed by 5:00 PM, July 22, 2011, on Form 3, with the State Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. For more information, contact Rob Kuczynski, P.E. at (775) 687-9441 or visit the Division's Bureau of Mining Regulation website at www.ndep.nv.gov/bmrr/bmrr01.htm.

One comment letter was received during the public comment period. The letter, dated June 30, 2011 was received electronically from Mr. John Hadder, Staff Scientist, Great Basin Resource Watch (GBRW). Division responses to the GBRW comments are attached to this Notice of Decision.

GBRW Comment #1: “There are two fundamental problems at the Jerritt Canyon site that is [sic] related to this permit that GBRW wishes to highlight and sees the need for action and resolution as soon as possible. First, is the seepage from various waste rock facilities that are contaminating surface water and groundwater and thus “degrading the waters of the state. Second, is the leaking tailings facility, where the extent of the contamination plume needs to be determined and the facility closed promptly.”...“At that time [2010 Permit Renewal] we submitted extensive comments [GBRW comment letter dated April 2, 2010] on this permit [Permit] and we see that some progress is being made.”...“For the record we would just reiterate our general position on the Jerritt Canyon mine [Mine]: Great Basin Resource Watch looks forward to progress on cleaning up the Jerritt Canyon Mine and does not support any expansion of mining activities at the site until current problems are rectified. We thank NDEP for providing background materials to our review of the permit, and invite further discussions regarding the Jerritt Canyon Mine.”

NDEP Response: *Comments noted.*