FACT SHEET
(Pursuant to Nevada Administrative Code (NAC) 445A.401)

Permittee Name: **ICM Corporation**

Project Name: **Yellow Camp Project**

Permit Number: **NEV0099100**
Review Type/Year/Revision: Renewal 2015, Fact Sheet Revision 00

A. Location and General Description

Location: The facility, known as the **Yellow Camp Project**, is located on public land in northwest Churchill County within Section 30, Township 23 North, Range 29 East, Mount Diablo Baseline and Meridian, and approximately 25 air-miles north of the town of Fallon, Nevada. Access to the Project area is possible either by traveling approximately 27 miles north from Fallon on US highway 95 or by traveling approximately eight (8) miles south on US highway 95 from the Interstate Highway 80 Exit #83, also locally known as Trinity Junction, to the facility, which is located on the east side of US highway 95. The Project is located on public land, administered by the Bureau of Land Management, Winnemucca Field Office.

General Description: The Yellow Camp facility is permitted in accordance with NAC 445A.414 as a physical separation operation to process a maximum of **36,500 tons** of ore per year. The facility will generate a sand concentrate product by gravity separation techniques from lacustrine sedimentary material dredged from the Carson Sink within the permitted site boundary. Chemicals are not approved for use in the Yellow Camp process. The project is anticipated to disturb less than five (5) acres and is expected to operate for one (1) to five (5) years. Any expansion of the facility or modification of the process to use chemicals must be preceded by submittal, and Division approval, of a Permit modification including payment of appropriate fees.

B. Synopsis

The facility is currently not in production and has been operated in the past intermittently to process small batches of material for demonstration purposes. The Permit was first issued and became effective on 14 July 1999. The Permit reporting requirements were modified effective 30 September 2002, to address the intermittent operation by requiring tailings reject characterization and reporting when the process is operated in any quarter. The Permit does not authorize the use of chemicals in the beneficiation process.

The ore consists of Carson Sink lacustrine sediment and the beneficiation product is the coarse sand fraction, which is termed "Con-ore." Two (2) unlined earthen

ponds, the Production Pond, which measures approximately 60 feet by 60 feet in plan and is variably 20 to 30 feet deep due to dredging activity, and a tailings impoundment, which measures 150 feet by 150 feet in plan and is approximately 15 feet deep, complement the physical separation plant by providing make-up and reclaim water for the process.

Material excavated during construction of the Production Pond was used to construct a 10-foot-high containment berm for the tailings impoundment. Although engineered containment with design permeability is not a requirement of NAC 445A.414, the clay that occurs naturally in the Carson Sink sedimentary material that was used to build the tailings impoundment containment berm naturally impedes leakage as evidenced by the reportedly minor volume losses that are attributed to evaporation. Additionally, any leakage will report back to the source fluid within the Carson Sink, which already exhibits equally poor water quality.

According to the design, ore slurry material is excavated from the Production Pond with a barge-mounted pumping platform located within the Production Pond. The ore slurry, which contains 5 to 10% solids, is pumped to the 4,000-gallon Stir Tank. Any overflow from the Stir Tank drains by gravity back to the Production Pond via a v-ditch.

Slurry in the stir tank is pumped to the first of three elevated mechanical gravity separation units (cyclones) where the liquid fraction is reduced and the solids fraction of the slurry is increased to about 50%. Further separation, to increase the solids content of the slurry, is accomplished in the second and third cyclones. The solids fraction from the third separation cyclone is analyzed for recoverable metal values and either further concentrated or pumped to the tailings impoundment.

Further mechanical concentration, if necessary, is accomplished with a fourth cyclone and industry-standard equipment installed in series, which includes but is not limited to, a jig, a drum separator, and two (2) Deister shaker tables. The final product is the "Con-ore," which typically represents less than 2% of the original ore feed material volume. This system is no longer operational, however, due to the removal of the pumping platform and cyclones. Any replacement of removed components which differ from the original units will require submittal of an application for Permit modification including appropriate fees.

Acid Neutralizing Potential/Acid Generating Potential (ANP/AGP) test results indicate the "Con-ore" has a potential to generate acid. Therefore, a Permit limit of sixty (60) days has been established for the maximum time barrels of "Con-ore" may be stored outside secondary containment at the Yellow Camp Project facility.

The primary sources of process make-up water are fluid contained in the ore slurry from the Production Pond and reclaim water from the tailings impoundment. Fresh make-up water may be added to the process from a well located on the property.

C. Receiving Water Characteristics

The facility is located adjacent to the southern slope of the Mopung Hills, between the northwest limit of the Carson Sink and the Stillwater Wildlife Management Area and the eastern edge of the Forty Mile Desert.

The Humboldt Slough, the only surface water in the immediate Project area, is situated approximately one-third mile north of the facility. The water is of poor quality and analysis reports exceedances of the Division Profile I reference values for Total Dissolved Solids (TDS), chloride, and fluoride, and elevated levels of sulfate.

Groundwater is within twenty (20) feet of the surface and the concentrations of arsenic, TDS, and chloride exceed the Division Profile I reference values. Elevated levels of fluoride and sulfate have also been reported.

D. Procedures for Public Comment

The Notice of the Division's intent to issue a Permit authorizing the facility to construct, operate, and close, subject to the conditions within the Permit, is being sent to the **Lahontan Valley News** for publication. The Notice is being mailed to interested persons on the Bureau of Mining Regulation and Reclamation mailing list. Anyone wishing to comment on the proposed Permit can do so in writing within a period of 30 days following the date of public notice. The comment period can be extended at the discretion of the Administrator. All written comments received during the comment period will be retained and considered in the final determination.

A public hearing on the proposed determination can be requested by the applicant, any affected State, any affected intrastate agency, or any interested agency, person or group of persons. The request must be filed within the comment period and must indicate the interest of the person filing the request and the reasons why a hearing is warranted.

Any public hearing determined by the Administrator to be held must be conducted in the geographical area of the proposed discharge or any other area the

Administrator determines to be appropriate. All public hearings must be conducted in accordance with NAC 445A.403 through NAC 445A.406.

E. Proposed Determination

The Division has made the tentative determination to issue the permit.

F. Proposed Limitations, Schedule of Compliance, Monitoring, Special Conditions

See Section I of the Permit.

G. Rationale for Permit Requirements

The facility must operate under a standard of performance which authorizes no release of contaminants which would result in the degradation of the groundwater in the vicinity of the site.

The facility is located in an area where annual evaporation is greater than annual precipitation. Therefore, it must operate under a standard of performance which authorizes no discharge(s) except for those accumulations resulting from a storm event beyond that required by design for containment.

The primary method for identification of escaping process solution will be placed on required routine sampling and facility inspections. Specific monitoring requirements can be found in the Water Pollution Control Permit.

H. Federal Migratory Bird Treaty Act

Under the Federal Migratory Bird Treaty Act, 16 U.S. Code 701-718, it is unlawful to kill migratory birds without license or permit, and no permits are issued to take migratory birds using toxic ponds. The Federal list of migratory birds (50 Code of Federal Regulations 10, 15 April 1985) includes nearly every bird species found in the State of Nevada. The U.S. Fish and Wildlife Service is authorized to enforce the prevention of migratory bird mortalities at ponds and tailings impoundments. Compliance with State permits may not be adequate to ensure protection of migratory birds for compliance with provisions of Federal statutes to protect wildlife.

Open waters attract migratory waterfowl and other avian species. High mortality rates of birds have resulted from contact with toxic ponds at operations utilizing toxic substances. The Service is aware of two approaches that are available to prevent migratory bird mortality: 1) physical isolation of toxic water bodies through barriers (e.g., by covering with netting), and 2) chemical detoxification.

These approaches may be facilitated by minimizing the extent of the toxic water. Methods which attempt to make uncovered ponds unattractive to wildlife are not always effective. Contact the U.S. Fish and Wildlife Service at 1340 Financial Boulevard, Suite 234, Reno, Nevada 89502-7147, (775) 861-6300, for additional information. Methods which attempt to make uncovered ponds unattractive to wildlife are not always effective. Contact the U.S. Fish and Wildlife Service at 1340 Financial Boulevard, Suite 234, Reno, Nevada 89502-7147, (775) 861-6300, for additional information.

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