

NOTICE OF DECISION - Bureau of Mining Regulation and Reclamation

Web Posting: 02/16/2016

Deadline for Appeal: 02/26/2016

WPC Permit No. NEV2008101
Goldwedge Rapid Infiltration Basins
Scorpio Gold (U.S.) Corp./Goldwedge LLC

The Administrator of the Nevada Division of Environmental Protection (the Division) has decided to renew Water Pollution Control Permit NEV2008101 to Scorpio Gold (U.S.) Corp./Goldwedge LLC. This Permit authorizes the construction, operation, and closure of approved Rapid Infiltration Basins (RIBs) in Nye County, Nevada. The Division has been provided with sufficient information, in accordance with Nevada Administrative Code (NAC) 445A.350 through 445A.447, to assure 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 3 March 2016. 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, 26 February 2016, 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 Bureau of Mining Regulation and Reclamation website at <http://ndep.nv.gov/bmrr/index.htm>.

One comment letter was received during the public comment period. The letter, dated 26 January 2016 was from Mr. Greg M. Schoen, Manager, Regulatory Affairs, Round Mountain Gold Corporation (RMGC), Round Mountain, Nevada. The text of all comments, in some cases excerpted, and the Division responses (in *italics*) are included below as part of this Notice of Decision.

The Division acknowledges the assistance provided by Scorpio Gold (U.S.) Corp./Goldwedge LLC (the Permittee) in addressing RMGC's concerns.

RMGC Comment #1: "...RMGC would like to offer its concern and comment on the proposed action."... "[T]he Goldwedge Operation has the potential to impact neighboring sites, one of those being the RMGC Manhattan Pit and the ability to reach pit lake stabilization."

Division Response 1: *Comment noted.*

RMGC Comment #2: “Contained within Section 1...is a condition requiring the permittee to reevaluate the RIB predictive model at a time when there was an operational change that could affect the predictive model results. RMGC is aware that during mid 2015 the Goldwedge Operation was placed into "care and maintenance", to RMGC this constituted an operational change. Taking that into consideration RMGC comments that Goldwedge should be required to update the "model" as part of this permit renewal process. Without such an update it is not possible to evaluate potential impacts from dewatering at the proposed rate or from reduced operations.”

Division Response 2: *The purpose of the current Goldwedge dewatering operations is to prohibit any further flooding of the underground workings. The Division does not regulate these dewatering activities; the Division regulates the discharge of excess dewatering through the Goldwedge RIBs.*

The Goldwedge RIB Permit renewal will expire in May 2019. At that time, updated predictive modeling results incorporating new data and findings will be submitted to the Division as part of the Permit renewal application. Because of the complexity of the issues, the Division encourages all of the potentially impacted parties to consider collaborating on a larger, basin-scale study and predictive modeling program.

The Division understands the concerns of the potentially impacted parties within the Project area and is appreciative of the efforts undertaken by all to date.