



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor

Allen Biaggi, Director

Leo M. Drozdoff, P.E., Administrator

Web posting 8/4/2009
August 12, 2009

Notice of Proposed Action

The Administrator of the Division of Environmental Protection gives notice that an application for a renewal of a Water Pollution Control Permit for the Black Rock Canyon Mine and Mill Project, a mining and beneficiation facility, has been properly filed with the Division of Environmental Protection in Carson City. The applicant for renewal of Water Pollution Control Permit NEV2004102 is:

Nevada Rae Gold, Inc.
465 South Meadows Parkway, Suite 20
Reno, Nevada 89521

The facility is located on public and private land in east-central Lander County, within portions of Sections 4 and 10, Township 29 North, Range 47 East, and Section 19, Township 29 North, Range 48 East, Mount Diablo Baseline and Meridian, approximately 30 miles southeast of the town of Battle Mountain.

The project consists of a placer mining and gravity separation beneficiation facility (Nevada Administrative Code (NAC) 445A.414), designed to extract gold, with a maximum permitted production rate of 810,000 tons of ore per year. The facility is comprised of the mine, located in Black Rock Canyon, where gold-bearing gravels are dry-screened and under-size material is hauled by truck to the gravity separation mill located approximately four (4) miles to the southeast, adjacent to Nevada State Route 306. The gravity separation mill incorporates a feed hopper, grizzly, trommels, vibrating screen classifiers, Knelson concentrators, a Krebs cyclone, concentrating tables, a Geotextile Tubes (GeoTubes) extraction system, four (4) earthen-lined settling ponds and associated tanks, pumps, pipelines, sumps and conveyors to beneficiate the ore. Facilities are required to be designed, constructed, operated and closed without any discharge or release in excess of those standards established in regulation except for meteorological events which exceed the design storm event. The Facility is anticipated to disturb up to 163 acres of public land and up to 60 acres of private land during the life of the project.

The Administrator is constrained to either issue the renewal Water Pollution Control Permit or to deny the application. The Administrator has made the tentative decision to issue the renewal permit.

Persons wishing to comment upon the proposed Water Pollution Control Permit, to recommend terms and conditions for consideration of incorporation into the permit, or who request a public hearing pursuant to NAC Chapter 445A, must submit their written comments, objections, or requests by hand delivery, United States Postal Service, facsimile, or e-mail no later than 5:00 PM

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on the 30th day following the date of publication of this notice (submittal deadline 11 September 2009) to:

Division of Environmental Protection
Bureau of Mining Regulation and Reclamation
901 South Stewart Street, Suite 4001
Carson City, Nevada 89701-5249

All comments, objections, or requests received during the public notice period will be considered in the final determination regarding this Water Pollution Control Permit. If the Division determines written comments or requests indicate a significant degree of public interest in this matter, the Administrator shall schedule a public hearing in accordance with the requirements of NAC 445A.405.

The draft Water Pollution Control Permit and all application documents are on file at the Division and are available for public inspection and copying pursuant to NRS 445A.665. For more information, contact Miles Shaw on (775) 687-9409 or visit the Bureau of Mining's website at <http://ndep.nv.gov/bmrr/bmrr01.htm>

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