

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR POLLUTION CONTROL

**Director's Review and Preliminary Determination of Permit Issuance
for**

**Nevada Mercury Control Program
Mercury Operating Permit to Construct**

February 8, 2011

Hycroft Resources & Development, Inc. has submitted a new unit application for a Mercury Operating Permit to Construct (MOPTC), pursuant to NAC 445B.3663, to the Nevada Division of Environmental Protection-Bureau of Air Pollution Control (NDEP-BAPC) one mercury retort on December 16, 2010.

The applicable facility, located in air shed basin #23, in Humboldt County is:

*Hycroft Resources & Development, Inc.
Hycroft Mine
PO Box 3030
Winnemucca, NV 89446*

The NDEP-BAPC has reviewed the application and has made a preliminary determination to issue the MOPTC. The draft MOPTC consists of one mercury retort, with emissions performance standards and control technologies determined to be NvMACT pursuant to NAC 445B.3683.2(b).

The draft MOPTC includes requirements for monitoring, recordkeeping, annual stack testing for mercury emissions, annual emissions reporting, annual mercury co-product reporting, limits of operation, and work practice standards which minimize emissions of mercury to the atmosphere. Other permit content includes control technologies and mercury emission limits determined to be NvMACT, pursuant to NAC 445B.3683.2(b).

Determination of proposed NvMACT mercury emissions performance for the retort is: 1.0×10^{-4} gr/dscf mercury. Determination of proposed NvMACT mercury emissions control technology for the retort is: a chilled-water condenser followed by a sulfur impregnated carbon adsorption bed.

None of the proposed project will cause or contribute to a violation of any applicable Federal or State air quality standard. After review of the application and independent NDEP-BAPC analyses, the agency has determined that the Hycroft Resources & Development, Inc. MOPTC may be issued and operated. The proposed source must comply with all State and Federal air quality requirements and all conditions established within the draft MOPTC.

Copies of this permit action's public notice and the draft Mercury Operating Permit to Construct are available for review on the Nevada Division of Environmental Protection - Bureau of Air Pollution Control website at: <http://ndep.nv.gov/bapc/hg/pub.html>