



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 Proposed Action

Web posting: 5/26/2011

Deadline for comment: 6/30/2011

Permit #NEV0000020

Jerritt Canyon Mine

Queenstake Resources USA, Inc.

The Administrator of the Division of Environmental Protection gives notice that an application for a Major Modification of a Water Pollution Control Permit (the Permit) for the **Jerritt Canyon Mine**, a mining and beneficiation facility (with a satellite mining operation), has been properly filed with the Division of Environmental Protection in Carson City. The applicant for the Major Modification of Permit **NEV0000020** is:

**Queenstake Resources USA, Inc.
Jerritt Canyon Mine
HC 31 Box 78
Elko, NV 89801**

The facility is located on both public and private land in Elko County. The Jerritt Canyon Mine is located within Sections 1 through 36, Township 40 North, Range 53 East; Sections 22 through 36, T41N, R53E; Sections 19 through 22 and 27 through 34, T41N, R54E; Sections 3 through 9, T40N, R54E; Sections 1 through 16 and Sections 19 through 22, T39N, R53E; and Sections 1 through 6, T39N, R54E; Mount Diablo Baseline and Meridian (MDB&M), approximately 46 miles north of the town of Elko. The Starvation Canyon Mine is located within Sections 7 and 18, T39N, R52E; and Section 13, T39N, R52½E, MDB&M, approximately 49 miles northwest of the town of Elko.

The project consists of underground mining operations and a beneficiation facility utilizing chemicals, designed to process up to 3,000,000 tons of gold-bearing ore per year. The facility is comprised of mine, mill, heap leach pad, tailings storage facilities, ore stockpile pad, ponds, wells and ancillary support facilities.

The Major Modification adds a second, double-lined tailings storage facility and associated ponds, basins and other associated components. 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 Administrator is constrained to either issue the modified Permit or to deny the application. The Administrator has made the tentative decision to issue the Major Modification.

Persons wishing to comment upon the proposed Permit, to recommend terms and conditions for consideration of incorporation into the Permit, or who request a public hearing pursuant to Nevada Administrative Code (NAC) Chapter 445A, must submit their written comments, objections, or requests by hand delivery or US Postal Service, or by facsimile or e-mail transmittal (with the original to be received within five (5) days of transmittal date), no later than 5:00 PM on the 30th day following the date of publication of this notice (submittal end date June 30, 2011) 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 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 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 Rob Kuczynski, P.E. at (775) 687-9441 or visit the Bureau of Mining Regulation website at <http://ndep.nv.gov/bmrr/bmrr01.htm>