



# 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., Acting Administrator

Web posting date 01/04/2011

Deadline for Comment February 4, 2011

## Notice of Proposed Action

Water Pollution Control Permit #NEV2007104

Klondex Gold & Silver Mining Company

Fire Creek Exploration Project

The Administrator of the Division of Environmental Protection gives notice that an application for a new Water Pollution Control Permit for the Fire Creek Exploration Project, a mining facility, has been properly filed with the Division of Environmental Protection in Carson City. The applicant for Water Pollution Control Permit NEV2007104 (Permit) is:

Klondex Gold & Silver Mining Company

PO Box 2062

Elko, Nevada 89803-2062

The facility is located on public and private land in east-central Lander County, within Sections 9, 10, 14, 15, 22, 23, and 24, T 30 N, R 47 E and Section 19, T 30 N, R 48 E, MDB&M, approximately 37 miles east of the town of Battle Mountain, Nevada.

The project consists of a test-mining facility permitted as a "Small-scale" Facility (Nevada Administrative Code (NAC) 445A.377 and 445A.410). A portal and decline will access the underground mineral deposit to extract bulk samples for metallurgical testing and evaluate the feasibility of developing and mining the identified mineral resource at a maximum permitted production rate of up to 36,500 tons per year and a maximum 120,000 tons over the life of the project. Ancillary surface components include a waste rock repository and temporary bulk sample stockpile with low permeability soil layer and solution containment system, double synthetic-lined and leak detected stormwater and mine dewatering water storage ponds, and administrative and mechanical support infrastructure. No processing is authorized. 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 Permit or to deny the application. The Administrator has made the tentative decision to issue the Permit.

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 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 04 February 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 Miles Shaw on (775) 687-9409 or visit the Bureau of Mining's website at <http://ndep.nv.gov/bmrr/bmrr01.htm>