

FACT SHEET
(Pursuant to Nevada Administrative Code [NAC] 445A.401)

Permittee Name: Frank Sharp
Facility Name: Gold Fever Mine Project
Permit Number: NEV2014123 (New Permit 2015)

A. Location and General Description of Facility

Location: The Gold Fever Mine Project is a placer mine and physical separation facility located in the historic Osceola Mining District. The mine and process facility are located within the 20-acre SHARPS placer mining claim in White Pine County, Nevada on public land administered by the U.S. Bureau of Land Management—Ely District Office (BLM-ELY). The Project site is approximately 28 miles east southeast (by air) of Ely and 1 mile west (by air) of Osceola, Nevada within Section 12, Township 14 North, Range 67 East, Mount Diablo Baseline and Meridian.

Site Access: The Gold Fever site is accessed from Ely, Nevada by traveling east on Highway 50 for approximately 34 miles. Turn right onto White Pine County Road 38. After approximately 200 feet, take the first right onto White Pine County Road 35 (Osceola Road). The Project site is located on the left side of Osceola Road after approximately 3 miles.

Characteristics: The Gold Fever Mine facility will utilize physical separation methods (i.e. grizzly, vibrating screen, and sluice box) to extract gold from excavated material. The Permittee will process up to 5,000 tons of ore per year and no chemicals (other than Division-approved flocculants) will be permitted for use in the process. All process water is recycled back to the facility. The facility is designed and constructed to not release or discharge any process or non-process contaminants from the fluid management system that would result in degradation of waters of the State during operation and closure.

B. Synopsis

Ore and Waste Rock Characterization

The Permittee intends to construct and operate a small physical separation facility to gravity concentrate precious metals at the Gold Fever site. Meteoric Water Mobility Extraction Procedure (MWMP)-Profile I characterization results for the ore material indicates that it is non-acid generating with no potential for metal liberation or liberation of any metal salts.

Mining Components

The process components includes, but are not limited to, a wash plant with a vibrating screen and grizzly, a sluice box, 14-inch classifiers, water pumps, two (2) 550-gallon water tanks, and lined ponds.

Mining

The SHARPS placer mining claim will be mined utilizing a backhoe/loader. Mining will be done in phases so that no more than 1.5 acres of land will be disturbed at a time. Each phase is expected to take two years. Maximum ore to be processed per year for the Gold Fever Project is 5,000 tons.

Water Supply

Make-up water for the wash plant and sluice box will be obtained from an off-site source (City of Ely Municipal water supply) and stored in two 550-gallon tanks at the Gold Fever site. No more than 4,000 gallons of water will be used in a day. Normal water usage is expected to be much lower. To reduce water usage, water will be recirculated from the lined ponds back to the wash plant.

Mineral Processing

Mined native alluvial material (ore) will be loaded into the wash plant where a 1 ½ inch grizzly and a ½ inch vibrating screen will remove oversized material. No ore shall be blasted or crushed. The oversize material removed by the grizzly will be conveyed through an 8-foot x 8-foot wooden slide. The oversize material removed by the vibrating screen will be conveyed through a 4-foot x 8-foot wooden slide. The oversize material will be stockpiled on-site. Sprayers located above the grizzly will move the remaining ore into the wash plant. From the wash plant, the ore is conveyed into the sluice box to separate out the gold. The ore is then conveyed through two (2) classifiers at the end of the sluice to remove material larger than 1/8 inch. This larger material is stockpiled on-site with the previously removed material. The remaining water and ore are conveyed to a single-lined 5-foot by 15-foot settling ditch and to a double-lined 15-foot by 30-foot primary settling pond. Water will be pumped from the primary pond into a single-lined 20-foot by 20-foot secondary pond when the primary pond requires cleaning. All ditch and pond liners are made of EPDM 45 mil rubber. The water in the primary settling pond is recirculated through the wash plant.

Reclamation

To prevent prolonged exposure of stockpiled materials, every two (2) years the completed pit will be reclaimed by backfilling the pit with the stockpiled waste rock material. These waste rock stockpiles are a mixture of all oversized material, dewatering tailings from the ore processing, and dredged material from the settling ponds. Once backfilled, the reclaimed pit area will be contoured to match surrounding contours, covered with topsoil, and reseeded with a BLM approved seed mix.

Ancillary Activities (Fuel and other Hydrocarbon Storage Areas)

All fuels and lubricants are stored within lined containment located on site. Diesel-fired electrical generators will be located on containment pads that meet or exceed 110-percent containment of their fuel capacity.

Petroleum Containment

The Permittee is not authorized to dispose of or treat Petroleum-Contaminated Soil (PCS) on the mine site without first obtaining from the Division approval of a PCS management plan.

C. Receiving Water Characteristics

No perennial surface waters exist within a three mile radius of the Gold Fever Mine site. Groundwater depth beneath the site is in excess of 700 feet bgs. Water will be obtained locally from the Ely municipal water supply and transported to the site via tanker truck. Water will be recycled continuously during the process operations.

D. Procedures for Public Comment

The Notice of the Division's intent to issue a Permit authorizing the facility to construct, operate, and close, subject to the conditions within the Permit, is being sent to the Ely Times for publication. The Notice is being mailed to interested persons on the Bureau of Mining Regulation and Reclamation mailing list. Anyone wishing to comment on the proposed permit can do so in writing within a period of 30 days following the date of public notice. The comment period can be extended at the discretion of the Administrator. All written comments received during the comment period will be retained and considered in the final determination.

A public hearing on the proposed determination can be requested by the applicant, any affected State, any affected intrastate agency, or any interested agency, person or group of persons. The request must be filed within the comment period and must indicate the interest of the person filing the request and the reasons why a hearing is warranted. Any public hearing determined by the Administrator to be held must be conducted in the geographical area of the proposed discharge or any other area the Administrator determines to be appropriate. All public hearings must be conducted in accordance with NAC 445A.403 through NAC 445A.406.

E. Proposed Determination

The Division has made the tentative determination to issue the Permit.

F. Rationale for Permit Requirements

The facility is located in an area where annual evaporation is greater than annual precipitation. The primary method for identification of escaping process solution will be placed on required routine monitoring identified in the Permit.

G. Federal Migratory Bird Treaty Act

Under the Federal Migratory Bird Treaty Act, 16 United States Code (USC) 701-718, it is unlawful to kill migratory birds without license or permit, and no permits are issued to take migratory birds using toxic ponds. The Federal list of migratory birds (50 Code of Federal Regulations [CFR] 10, 15 April 1985) includes nearly every bird species found in the State of

Nevada.

The U.S. Fish and Wildlife Service is authorized to enforce the prevention of migratory bird mortalities at ponds and tailings impoundments. Compliance with State permits may not be adequate to ensure protection of migratory birds for compliance with provisions of Federal statutes to protect wildlife.

Open waters attract migratory waterfowl and other avian species. High mortality rates of birds have resulted from contact with toxic ponds at operations utilizing toxic substances. The Service is aware of two approaches that are available to prevent migratory bird mortality: 1) physical isolation of toxic water bodies through barriers (covering with netting), and 2) chemical detoxification. These approaches may be facilitated by minimizing the extent of the toxic water. Methods which attempt to make uncovered ponds unattractive to wildlife are not always effective. Contact the U.S. Fish and Wildlife Service at 1340 Financial Boulevard, Suite 234, Reno, Nevada 89502-7147, (775) 861-6300, for additional information.

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