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

Permittee Name: **Newmont Mining Corporation**

Project Name: **McCoy/Cove Mine**

Permit Number: **NEV0088009 – (Renewal 2015, Fact Sheet Revision 00)**

A. Location and General Description

Location:

The McCoy/Cove Mine is located approximately 30 miles southwest of Battle Mountain, Nevada, in Lander County. The facility is situated within Sections 1, 2, 11, and 12 of Township 28N, Range 42E; Sections 5, 6, 7, and 8 of Township 28N, Range 43E; Sections 25, 26, 35, and 36 of Township 29N, Range 42E; and Sections 30 and 31 of Township 29N, Range 43E, Mount Diablo Baseline & Meridian.

General Description:

Existing facilities include: One Tailings Storage Facility (TSF), three Heap Leach Pads (LP#1, LP#2, and LP#3). The majority of the TSF has been reclaimed, but process solution ponds T-SP, T-RP, and T-EP still remain. All heap leach pads have been reclaimed, i.e. recontoured, placement of a growth media/soil cover, and revegetated. The remaining associated leach pad solution ponds (P2-EP, P3-PP, and P3-EP) no longer receive heap leach pad draindown and will be permanently closed. Storm event ponds (P2-SEP and P3-SEP) will also be permanently closed. Nine waste rock dumps were constructed; all have been reclaimed. Ore was mined from two open pits - the McCoy Pit and the Cove Pit. The Cove pit has since become a pit lake. Some buildings and facilities have not been removed.

B. Synopsis

Tenneco Minerals Company began site development in November 1985. In early 1986, the Merrill-Crowe Process Plant, LP#1 and associated ponds were constructed. In late 1986, Echo Bay Minerals Company (EBMC) purchased Tenneco Minerals Company. EBMC constructed the Carbon ADR Plant in 1987; LP#2 was constructed and operated from 1988 through 1994, and LP#3 from 1992 through 1995. Construction began in March 1988 on a 7,500 ton-per-day mill facility that began operation in July 1989. In addition to open-pit mining, extraction of high-grade ores from underground operations was initially undertaken in 1988, and continued intermittently until July 2001.

Water Pollution Control Permit (WPCP) NEV0088009 was first issued to EBMC in 1989 and was last renewed as an active facility in 2001. In May 2003, this WPCP was transferred

from EBMC to Newmont Mining Corporation (Permittee). The current WPCP was renewed in 2006 and expired November 11, 2011. This is a renewal of the WPCP and shall remain in effect until November 2016.

The project is located entirely on public lands, administered by the Bureau of Land Management, Battle Mountain Field Office, with the exception of seven patented claims in the Cove Pit and two patented claims in the McCoy Pit. The project ultimately comprised 4,601 acres of surface disturbance and as of August 2014, only 173 acres remain to be reclaimed.

Site Closure Plan:

The Final Plan for Permanent (FPPC) was submitted in November 2003 and approved with comments in March 2004. A Comprehensive Final Permanent Closure Plan, which included responses and modifications as required in the approval of March 2004, was received in March 2005.

Geology:

McCoy rock types, which include clastic, intrusive, marble and skarn, have predominantly high net neutralizing potentials (NNP).

Material from the Cove Pit, consisting of low grade oxide ore (altered and unaltered limestone), was processed on LP #2 and LP #3. The McCoy and Cove underground ore, the Cove high-grade oxide ore, all of the Cove Panther Canyon ore, and some Cove carbonaceous limestone ore were processed through the Mill facility. All of the waste rock from the Cove Pit, having a net neutralizing potential (NNP) greater than 1, was placed in the #51, #53, #54, #55, #56 and #60 rock stockpiles. All Panther Canyon waste rock with the potential to generate acid was encapsulated in the #56 rock stockpile on top of approximately 135 feet of high NNP material. Approximately 20,200,000 tons of Panther Canyon oxide and sulfide waste rock were isolated within the stockpile. This material represents less than 8% of the total stockpile that has a total net neutralizing ratio greater than 18:1.

Open Pits:

Two open pits, the McCoy Pit and the Cove Pit, were developed. Mining within the McCoy Pit ceased in April 2000. Open pit mining of the Cove Pit was completed in October 2000.

Ground water inflows to the Cove Pit from two local aquifers, an alluvial aquifer and a deep bedrock aquifer, have created a pit lake. A pit lake study first performed in 1997 was updated in 2002. A summary update to the pit lake study and a screening level ecological risk assessment (SLERA) were provided in late 2014 as part of the ongoing WPCP renewal application. Based on modeling, the predicted pit lake water chemical composition,

estimated 100 years after the cessation of dewatering, will not adversely affect the health of human, terrestrial or avian life (NAC 445A.429) nor would pit lake water degrade waters of the State. The Permittee has conducted quarterly sampling of the pit lake from since 2001 to 2006 and semi-annually from 2006 to present for the NDEP Profile I list of parameters.

Beginning in the third quarter of 2014, NDEP implemented the NDEP Profile III analytical requirements for pit lakes. Results of the Profile III sampling indicate that fluoride slightly exceeds the reference value of 2 mg/L, which relates to livestock standards per NAC445A.1236. To address this concern, the Cove Pit Lake has been adequately surrounded with berms and gates to prevent livestock access. In addition, the entire McCoy/Cove Mine has a system of fencing to preclude access, resulting in elimination of receptor access.

Table 1 below provides a comparison of predictive water quality modeling (November 2001) and empirical data based on the averages of 29 sampling events (March 2003 through October 2014), from three sampling locations (north, middle, and south) at three discreet depths (10', 175', and 350' below surface) and includes only those parameters, with the exception of pH, that may be considered elevated or of interest with respect to Profile I reference values.

Table 1 – Cove Pit Lake Water Chemistry, NDEP Profile I

		Average Concentration and Range (mg/L) of North, Middle, and South sample locations at 10', 175' and 350' below lake surface			**Model Time-frame**	
Parameter	**NDEP Reference Value (mg/L)**	**10' below surface**	**175' below surface**	**350' below surface**	**30-year**	**100-year**
Alkalinity, HCO_3	---	224 (197 – 261)	236 (214 – 260)	233 (211 – 257)	184	279
Antimony	0.006	0.006 (0.004 – 0.008)	0.006 (0.004 - 0.008)	0.005 (0.002 – 0.024)	0.012	0.019
Arsenic	0.010	0.023 (0.012 – 0.042)	0.029 (0.012 – 0.047)	0.030 (0.005 – 0.045)	0.003	0.01
Fluoride	2.0	2.4 (1.4 – 4.1)	2.2 (1.3 – 3.4)	2.1 (1.1 – 3.2)	1.4	2.2
Manganese	0.10	0.41 (0.002 -3.3)	0.22 (0.007 – 3.3)	0.35 (0.011 – 3.5)	0.04	0.03
pH (Standard Units)	6.5 – 8.5	8.0 (7.3 – 8.3)	7.9 (6.8 – 8.3)	7.7 (6.8 – 8.3)	8.3	8.5
Sulfate	500	1010 (738 – 1270)	1032 (753 – 1280)	1132 (929 – 1360)	184	278

TDS	1000	1758 (1340 – 2190)	1813 (1460 – 2280)	1936 (1680 – 2170)	-	-
Zinc	5.0	0.342 (0.005 – 2.9)	0.638 (0.012 – 2.9)	0.820 (0.085 – 3.1)	1.1	1.4

All units are in mg/L except for pH

Review of the data suggests that the chemistry of the water column, down to 350 feet, is fairly stable. However, sulfate, TDS, and zinc appear to be increasing slightly with depth. As of June 2014, the lake depth was 610 feet. To verify water quality throughout the entire depth of the pit lake, the Permittee will be required to now sample at approximately 600 feet below lake surface.

The ultimate pit lake depth, anticipated to occur in 100 years, will be approximately 685 feet and will cover an area of approximately 163 acres.

The model predicts that the Cove pit lake will approach a steady-state water level at an elevation of approximately 4,659 ft. AMSL. This steady-state water level will be approximately 20 feet lower than the pre-mining groundwater level as a result of surface evaporation. Therefore, the pit lake will have a slight inward hydrologic gradient, i.e., operate as a sink, based on pre-mining groundwater levels and steady-state conditions.

Hydrologic modeling predicts the maximum extent of the 10-foot drawdown isopleth to occur around 2050, approximately 50 years following cessation of dewatering activities. The 10-foot isopleth is expected to extend approximately 4 miles from the pit to the east and 3.5 miles to the north, south and west.

In July 2005, the northwest highwall of the Cove Pit experienced a rotational failure resulting in approximately 1,000,000 tons of material sliding toward the pit lake and an indeterminate amount of material entering the lake. Pit lake samples were collected following the wall failure and data indicates no impacts to overall water quality. Also in 2005, the southeast side of the pit, in the access road area for the pit lake, failed toward the pit lake at a rate of approximately 1 foot per month. In certain areas of the pit ramp, the floor dropped over 50 feet. None of the material that has entered or may enter the lake has a negative or low net neutralization potential (NNP).

The operator will be required to sample the Cove pit lake semi-annually, in three separate locations (North, Middle and South) with samples (NDEP Profile I) collected from three discreet depths (175 ft., 350 ft., and 600 ft. below surface). The Profile III surface sample will replace the current 10 feet below surface sample. Additionally, should pit lake access, due to unstable surrounding materials, become unattainable, the Permittee will be required to provide an alternative, preferably empirical, method to demonstrate that the health of human, terrestrial, or avian life will not be adversely affected nor would pit lake water degrade waters of the State.

Monitoring of the McCoy Pit shall consist of designating pit surface as dry, damp, or wet (visible flow or ponding). If a large amount of persistent ponded water is present, collect a representative sample and analyze for NDEP Profile I parameters. A field pH and field Specific Conductance (SC), reported as Total Dissolved Solids (TDS), together with photos and dimension of the ponded areas(s) shall also be taken. The operator will investigate the source(s) of persistent ponded water. The pit will also be inspected for stability, safety and access restrictions.

Dewatering Operations:

Groundwater was reached in the Cove pit in 1991, and, to ensure stable pit walls and a dry pit floor for safe mining conditions, water had to be removed. A total of 23 dewatering wells and two in-pit pumping stations were developed in and around the open pit. The pumping rate peaked at 19,000 gallons per minute in 1994 and 1995. During the last full year of dewatering in 2000, approximately 13,400 gallons per minute was pumped on a 24/7/365 basis. Except for a small quantity of water used in processing and dust suppression for mining activities, the water was conveyed to a series of rapid infiltration basins (RIB) located a few miles north and downgradient of the site and infiltrated into the alluvial aquifer. During dewatering activities from mining of the Cove Pit, the static water level was lowered an estimated 175 feet.

Dewatering of the Cove Pit concluded on July 23, 2001. Since that date, all dewatering wells have been abandoned per Nevada State Engineers requirements and the RIB area has been reclaimed. These RIB's were permitted separately under WPCP NEV0089013, which was terminated in June 2002.

Waste Rock Stockpiles:

The McCoy/Cove Mine waste rock stockpiles (WRS) encompass an area of approximately 1,830 acres. Waste rock from the McCoy Pit had a predominately highly positive NNP value and was deposited in three of the nine waste rock stockpiles near the pit (#61, #62, and #63).

All the waste rock from the Cove Pit having a positive NNP was deposited in the #51, #53, #54, #55, #56, and #60 Cove rock stockpiles located near the pit. Cove waste rock with the potential to generate acid was isolated in the #59 Cove waste rock stockpile. This stockpile overlies the #56 Cove waste rock stockpile, which consists of approximately 135 feet of high NNP material**.** With the exception of the 130 acres of the #51 Cove Rock Stockpile, all of the waste rock stockpiles have been released from reclamation obligations. Table 2 provides a summary of the acreage and volume of the individual wasterock stockpiles.

Table 2 – Waste Rock Stockpiles

Stockpile ID	Location	Acreage	Volume, tons
#51	Southeast of Cove Pit	130	31,500,000
#53	North of Cove Pit	263	57,600,000
#54	Northwest of Cove Pit	80	4,800,000
#55	Southwest of Cove Pit	206	51,800,000
#56	East of Cove Pit	578	260,600,000
#60	North of Stockpile #53	90	3,800,000
#61	Northwest of McCoy Pit	61	14,400,000
#62	South of McCoy Pit	192	21,300,000
#63	East of McCoy Pit	230	35,700,000

No stability issues or seepage from any of the WRS has been observed. The Permittee is required to inspect all WRS annually (spring) for mass and surface stability. Inspect for seepage and designate surfaces as dry, damp, or wet (visible flow or ponding). If any seepage is emanating from any portion of a WRS, the Permittee shall collect a representative sample and analyze for NDEP Profile I parameters. The Permittee shall conduct field pH and field SC reported as TDS. Photos of the seepage area shall also be taken and document the event in the quarterly monitoring report.

Heap Leach Pads:

Heap Leach Pad #1 (LP#1)

Construction of LP #1 began in 1986 using 80-mil high-density polyethylene (HDPE) liner for the two north and two south heap cells and 60-mil HDPE in the middle four heap cells. These cells were all underlain by a 12-inch compacted subbase. Most of the ore from the McCoy Pit was processed on LP#1 with the uneconomic material reporting to the #61, #62, and #63 rock stockpiles located near the pit. Ore was placed on the pad until 1991 with active leaching continuing seasonally until 1996. The crushed ore was placed on the 60-mil lined portions and run-of-mine (ROM) ore was placed on the 80-mil lined portion.

Rinsing of LP#1 began on a seasonal basis in June 1998 and ended in early 2000. Approval for final reclamation, including slope contouring and movement of spent ore off containment was given in August 2000 by NDEP and the BLM. This work, including placement of topsoil, 24 inches for the areas where spent ore was sloped off-containment and 12 inches on the remainder of the heap, and seeding, was completed in December 2000.

There were 3 process ponds associated with LP#1, all of which were backfilled in 2005. Current draindown flow is routed through a 4-inch double-walled HDPE pipe to the

LP1/LP2 vault located near the southwest corner of the southern pond (P2-EP) where it co-mingles with LP#2 draindown solution.

Heap Leach Pad #2 (LP#2)

The first phase of LP#2, constructed in 1988 with an 80-mil HDPE liner, is underlain by 12 inches of compacted fill. The two subsequent construction phases utilized the same system design. The pad received approximately 24 million tons of ore, both crushed and ROM, until 1994, when leaching was discontinued. Leaching resumed in August 1999 and continued through 2002. LP#2 was constructed with a leak detection/collection system consisting of five monitoring locations.

Current draindown flow is routed to LP#3 through the LP1/LP2 vault. The remaining two ponds, process pond P2-EP and the storm event pond P2-SEP, have been abandoned and will be closed.

Heap Leach Pad #3 (LP#3)

The construction of LP #3 began with Phase I in 1992. The pad was constructed with an 80-mil HDPE liner, underlain with a 12-inch compacted subbase, the most recent phase being completed in 1995. The heap received approximately 43 million tons of both crushed and ROM ore. Leaching of the pad occurred for approximately 10 years, between 1993 and 2003. Recontouring and placement of approximately 21 inches of topsoil/growth media was completed by 2006.

Draindown flow is routed through the LP3 vault to the TSF. The remaining two process ponds, P3-PP and P3-EP, as well as the storm event pond, P3-SEP, have also been abandoned and will be closed.

All three heap leach pads were constructed with leak detection systems. There is no evidence that process solution(s) have escaped containment or degraded waters of the State.

Current draindown flows, as of December 3, 2014 are: LP#1 0.5 gpm; LP#2 2.0 gpm; and LP#3 7.1 gpm. LP#1 flows appear to have stabilized whereas both LP#2 and LP#3 flows are decreasing but appear to fluctuate seasonally.

Heap Leach Pad Process Ponds:

Following completion of the closure pipeline, process ponds P2-EP, P3-PP, and P3-EP were drained and taken out of service. Current closure plans for these remaining process ponds consists of sampling any remaining pond sludge and either removal of the sludge or in-place stabilization. The liners will then be cut and folded over into the pond footprint. The

depressions will be backfilled with common fill material and the surface crowned to prevent stormwater run-on.

Stormwater Ponds:

Ponds P2-SEP and P3-SEP are both single-lined event ponds and will be closed in a manner similar to the process ponds.

Tailings Storage Facility (TSF):

The TSF consists of an impoundment with a maximum constructed height of approximately 110 feet. Construction entailed a compacted soil subbase overlain by synthetic 30-mil very low density polyethylene (VLDPE), an underflow drainage system, lined solution collection ditches and four ponds. The tailings impoundment encompasses approximately 570 acres.

TSF Process Ponds

The pond system consists of one storm event pond (T-SEP) and three process ponds (T-SP, T-RP, and T-EP). With the exception of T-SEP, leak detection monitoring ports for T-SP, T-RP, and T-EP will be maintained and monitored throughout closure and remain until ponds are removed. If ponds are converted into evaporation or evapotranspiration cells, monitoring will continue throughout post-closure. Leak detection monitoring of T-RP has indicated very low leakage rates, having an average 10 gallons per day (gpd) in 2014. T-SEP is a single-lined pond, and therefore does not require leak detection.

Tailings reclaim (TR) water (underflow drainage) reports to the reclaim pond T-RP, where it is sampled and recirculated to the impoundment where it is actively evaporated, resulting in lower underdrain flows and desaturation of the tails material over time. TR water is sampled at T-RP prior to recirculation to the impoundment. The active evaporation and tailings desaturation has allowed for accelerated reclamation activities of the impoundment surface and embankment slopes.

As of June 2014, approximately 528 acres have been reclaimed. Forty-two acres remain to be reclaimed - approximately 10 acres of surface area, 17 acres of embankments slopes, and 15 acres associated with the solution ponds.

There is no evidence that process solution(s) have escaped containment or degraded waters of the State.

Closure Pipeline(s):

In 2014, two pipelines were constructed to convey heap leach pad solutions to the TSF. The conveyance of all heap draindown flows to the TSF will allow closure of the heap leach pad solution ponds.

The pipeline to convey solution from LP#1 and LP#2 originates in a pre-cast concrete vault located near the southwest corner of the P2-EP pond and routes flow to the southeast toward LP#3 for approximately 27,000 feet. The new pipeline consist of a 2-inch diameter DR17 HDPE pipe contained inside a 4-inch diameter DR17 HDPE pipe to provide for secondary containment. The solution drains toward LP#3 and maintains a minimum burial depth of 3 feet for frost protection. The pipeline termination at LP#3 discharges into a buried clean gravel bed located on the inner edge of the liner.

The existing LP#3 solution piping enters the LP3 vault and drains to the TSF. The pipeline from LP#3 routes solution southeast toward the TSF for approximately 1,800 feet. The pipeline discharges at a point near the toe of the western TSF embankment, within the lined footprint.

All of the heap leach pad flow rate data demonstrates a decreasing trend; nonetheless, the maximum flow rate recorded over the last 5 years period was used for the pipeline system hydraulic design and construction. While the majority of the meteoric water input from LP#1 and LP#2 will be consumed through evapotranspiration by the established reclamation vegetation, the assumption that some meteoric water will contribute to LP#3 discharge was conservatively used for the maximum design flow rate of 13.3 gpm. The final as-built report was approved September 2014.

Leak detection for the pipeline consists of two observation ports, one installed in LP #3 (LP3 Observation Port) and the other at the TSF (TSF Observation Port) where the 4-inch secondary containment pipe daylights and the 2-inch pipe continues into the leach pad and the TSF. The manholes allow for observation of the pipeline secondary containment – any leak of solution from the primary 2-inch diameter pipe would report downgradient to the manholes in the 4-inch secondary pipe.

Additional leak detection is provided in both the LP1/LP2 and LP3 vaults. The LP#1 and LP#2 secondary containment pipes daylight in the LP1/LP2 vault and the LP#3 secondary containment pipe daylights in the LP3 vault.

In the unlikely event that the primary 2-inch pipe became obstructed, a large flow rate increase would be observed when the vault sampling port was opened. If the secondary 4-inch leak detection pipe became obstructed, solution would back up into the vault through the 4-inch pipe. The latter, however, is unlikely due to the design of the centralizers that

position the primary 2-inch pipeline within the secondary 4-inch pipeline. The centralizers have cut-outs that allow for solution flow.

Monitoring of the heap draindown for LP#1 and LP#2 will occur at the LP1/LP2 vault. The vault has been designed such that discreet water quality and flow measurements can be collected for each heap. LP#3 draindown will be monitored at the LP3 vault prior to flowing to the TSF. Discharge from the TSF will continue to be monitored at the underdrain collection pond. Draindown solutions will be analyzed for NDEP Profile II, as total dissolved parameters.

From a closure perspective, the long-term solution management for LP#1, LP#2, and LP#3 has been achieved with the construction and operation of the closure pipeline to the TSF. Therefore, the heap leach pads have achieved long-term, zero discharge status.

Heap Leach Pads and TSF Component Chemistry:

Draindown solutions from LP #1, LP #2, LP#3, and the TSF all exhibit generally similar chemistry. This similarity is due to the commingling of heap leach pad and TSF process solutions during operations. In 1993, modifications to the mill allowed the heap leach facilities to utilize mill process solution as make-up solution and realize a reduction in reagent consumption. The mill used the INCO cyanide neutralization process. The INCO process uses sulfur dioxide and air to oxidize the cyanide, resulting in the less toxic compound cyanate as well as the subsequent elevated sulfate concentrations as seen in the heap leach and tailings solutions. The mill process solution provided the sulfate as there were no sulfides placed on the leach pads. The various parameters for which the NDEP Profile II reference values are exceeded are consistent for each of the four components with very few exceptions.

The following table provides a listing of the parameters that are either of interest or exceed these reference values for each respective process component. Table 3 below provides average concentration and range for LP#1 (48 sampling events – March 2003 thru December 2014), LP#2 (48 sampling events – March 2003 thru December 2014), LP#3 (48 sampling events – March 2003 thru December 2014), and for the TSF water (48 sampling events – March 2003 thru December 2014). Average solution concentrations are based on an average of all available analyses.

Table 3 - Average Concentration and Range for LP #1, LP #2, LP#3, and TSF Draindown

		Average Concentration and (Range)			
Parameter	**NDEP Profile II Reference Values (mg/L)**	**LP#1**	**LP#2**	**LP#3**	**TSF**
Alkalinity, HCO_3	---	87 (67 – 132)	122 (83.4 – 166)	56 (2 – 226)	118 (47 – 224)
Arsenic	0.010	0.075 (0.045 – 0.213)	0.306 (0.227 – 0.523)	0.218 (0.096 – 0.344)	0.159 (0.050 - 0.390)
Cadmium	0.005	0.003 (0.002 – 0.006)	0.007 (0.002 – 0.014)	0.007 (0.003 - 0.015)	0.019 (0.003 – 0.030)
Chloride	400	526 (407 – 973)	606 (445 – 842)	487 (331 – 798)	1,236 (768 – 5,220)
Mercury	0.002	0.0003 (0.0002 – 0.0003)	0.0007 (0.0002 – 0.0026)	0.0055 (0.0006 – 0.0657)	0.0008 (0.0002 – 0.0034)
Manganese	0.10	0.08 (0.01 – 2.06)	1.50 (0.33 – 3.8)	3.00 (1.5 – 4.1)	5.40 (3.0 – 12.7)
Nitrate + Nitrite (as N)	10	779 (646 – 907)	1,164 (585 – 1,800)	1,250 (505 – 2,220)	225 (2.86 - 1,350)
pH (s.u.)	6.5 – 8.5	7.6 (7.3 – 8.0)	7.4 (6.5 – 7.8)	6.7 (5.2 – 8.5)	7.7 (7.2 – 8.1)
Selenium	0.05	0.14 (0.11 – 0.21)	0.20 (0.14 – 0.27)	0.21 (0.14 – 0.35)	0.08 (0.01 – 0.63)
Sulfate	500	1,599 (1,290 – 1,970)	2,125 (1,520 – 3,180)	3,191 (2,170 – 4,150)	4,833 (2,350 – 15,800)
Thallium	0.001	<0.001 (<0.001 – 0.001)	0.001 (<0.001 – 0.001)	0.006 (0.002 – 0.010)	0.004 (0.001 – 0.027)
Total Dissolved Solids	1,000	7,912 (6,800 – 9,130)	11,063 (8,460 – 14,800)	12,170 (9,910 – 15,100)	10,123 (7,000 – 36,900)
WAD Cyanide	0.2	0.379 (0.018 – 0.970)	0.233 (0.037 – 0.695)	0.134 (0.011 – 1.09)	0.184 (0.015 – 0.469)

All results, except pH, are presented in mg/L and represent approximate values.

Groundwater Monitoring:

Seven groundwater monitoring wells remain on the site. Wells IM-2 and IM-3 are located hydrologically downgradient of the former RIB location and monitor the shallow alluvial groundwater flow. These wells have been dry since 2004 and 2005, respectively, and were installed to monitor the mound formed during active dewatering. Wells LP-2D and LP-5B

monitor the deep bedrock flow immediately northeast of LP#2 and LP#3, respectively. Wells TM-3, TM-4, and TM-5 are located immediately downgradient of the tailings impoundment and monitor the shallow alluvial groundwater. Table 4 below provides well construction details.

Table 4 – Monitor well construction and depth to water details*

Well ID	Collar Elevation (ft. amsl)	Total Depth (feet)	Well Bottom (ft. amsl)	Depth to water (ft. from collar)	Groundwater Elevation (ft. amsl)	Screen Interval (feet)
IM-2	4671	70	4601	Dry	<4635	15.5 – 35.5
IM-3	4670	70	4600	Dry	<4635	17 – 37
LP-2D	4988	800	4188	388	4600	700 – 800
LP-5B	4900	800	4100	300	4600	720 – 800
TM-3	4743	120	4623	89	4654	86 – 106
TM-4	4746	130	4616	90	4656	86 – 106
TM-5	4747	150	4597	91	4656	77 - 97

*Based on 4Q14 data

The operator will continue to monitor groundwater elevations and groundwater quality throughout the mine site annually

Buildings/Structures:

The Mill, Heap Leach facilities, and the Administration building were demolished in 2005. The truck and maintenance shops were dismantled and relocated to the Permittees Fortitude/Reona (Phoenix Mine) Project. Remaining buildings include a security building and utility shop.

C. Site Hydrology and Background Water Quality

The average annual precipitation, based on data collected from the on-site meteorological station over a 23 year period, is approximately 7 inches per year. Estimated pan evaporation and lake evaporation are 62.5 inches and 45 inches per year, respectively.

Two groundwater systems exist in the vicinity of the Cove Pit - a deep, confined bedrock aquifer and an unconfined shallow alluvial aquifer. Shallow alluvial groundwater flow is across the site from the west to the east toward the Reese River Valley. Bedrock flow direction is also toward the Reese River Valley and generally follows topography in a northeast direction. The deep bedrock aquifer is filling the Cove Pit which includes the Panther Canyon formation. Typically this aquifer has a relatively low hydraulic conductivity,

however, intense fracturing in the pit area has increased the hydraulic conductivity of some hydrogeologic units by a factor of 20 or greater than that of the same unit at more distant locations. The Panther Canyon formation consists of three distinct hydrogeologic units that exhibit relatively large hydraulic conductivity values near the mine. The upper silica-cemented conglomerate has a hydraulic conductivity in the range of 0.1 to 20 feet per day; the middle silica-cemented sandstone units have a range of 0.1 to 10 feet per day; and the lower carbonate-cemented sandstone, conglomerate, and dolomite unit also have a range of 0.1 to 10 feet per day. Two range-front faults east of the Lighthouse Fault form barriers to flow from the shallow alluvial aquifer the Lower Reese River Valley. The faults are approximately ½ mile east of the Cove Pit and are covered by the Tertiary alluvium. The hydraulic conductivity of these eastern faults ranges from 0.001 to 0.033 feet per day.

Groundwater quality of the bedrock aquifer and the alluvial aquifer shows similarities. The pH of both sources is alkaline (greater than 7 S.U.). Bicarbonate concentrations are generally higher in the bedrock groundwater than the alluvial groundwater. However, samples taken from the alluvium appear to be sodium-bicarbonate based, while samples from the bedrock near the Cove Pit are generally calcium-bicarbonate based.

Water quality of both aquifers is generally good with most parameters usually within NDEP Profile I reference values. Exceptions are represented by elevated levels of lead and arsenic in the bedrock aquifer. In the alluvial aquifer, concentrations slightly in excess of the secondary standard have been noted for fluoride; exceedances of the secondary standards have been occasionally exhibited by iron and manganese. These exceptions are likely the result of natural mineral dissolution.

The groundwater beneath LP#1 lies entirely within the fracture-controlled bedrock aquifer of the Cane Springs limestone. Pre-mining depth to groundwater was approximately 500 feet below ground surface (bgs).

The lithology beneath LP #2 is similar to that beneath LP#1. The base of LP#1 is located approximately 100 feet and 200 feet topographically higher than the base of LP#2 and LP#3, respectively. LP#2 pre-mining depth to groundwater was 392 feet bgs. The dewatering effort lowered the static level approximately 200 feet. Since dewatering ceased in 2001, groundwater levels, measured at LP-2D, just downgradient of Leach Pad #2, have risen from approximately 712 feet bgs to 388 feet bgs (2013).

Beneath LP #3, the groundwater is partially confined in the Quaternary alluvium on the east side and in the fracture-controlled limestone on the west side. Pre-dewatering depth to groundwater was 222 feet bgs. Dewatering activities lowered the static level by approximately 180 feet, to a depth of 402 feet bgs. Groundwater measurements, taken at LP-5B, are now at 300 feet bgs.

The groundwater beneath the TSF is wholly contained within the Quaternary alluvium. Dewatering of the Cove Pit had a minimal effect on the original pre-mining water table at approximately 80 feet bgs.

D. Procedures for Public Comment

The Notice of the Division's intent to issue a Permit authorizing the facility to renew the Water Pollution Control Permit (WPCP) authorizing the facility to close subject to the conditions described therein and according to all information received from the Permittee and approved by the Division, is being sent to the Battle Mountain Bugle 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 facility 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 renew the Permit.

F. Proposed Effluent Limitations, Schedule of Compliance and Special Conditions

Except as detailed in the Permit, no proposed limitations or special conditions are stipulated.

G. Rationale for Permit Requirements

The facility remains in closure. With the construction and operation of the closure pipeline, which route all heap draindown solutions to the TSF for management of long-term flows from LP#1, LP#2, and LP#3, zero-discharge conditions will be maintained.

The tailings storage facility is equipped with a liner system and seepage collection pond. At such time when the under flow discharge rate decreases to a manageable amount, the TSF will be closed as a zero-discharge facility.

Groundwater quality beneath the site has been historically monitored and no degradation from mining activities has been observed. Monitoring of the site will continue.

Following renewal, the Permit will be transferred to Premiere Gold.

H. Federal Migratory Bird Treaty Act

Under the Federal Migratory Bird Treaty Act, 16 U.S. Code 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 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 (e.g., by 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.

Date: 19 March 2015

Revision 00: 2015 Closure Renewal