

## FACT SHEET

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

Permittee Name: **CJT Mining, Inc.**

Project Name: **Goldfield Basin Project**

Permit Number: **NEV2015118**  
Review Type/Year/Revision: **New Permit 2016, Fact Sheet Revision 00**

### **A. Location and General Description**

**Location:** The Goldfield Basin Project (GBP) is a surface mine and physical separation (e.g. dry screening) facility located in the historic Gold Point Mining District, within the northeast portion of Lida Valley. The mine and dry screening facility are located in Esmeralda County, Nevada on public land administered by the U.S. Bureau of Land Management-Battle Mountain District, Tonopah Field Office. CJT Mining, Inc. is the Permittee for the GBP.

The facility is approximately 15 miles southwest (by air) of the town of Goldfield, Nevada, within, within Section 4, Township 6 South, Range 42 East, Mount Diablo Baseline and Meridian.

**Site Access:** To access the mine and mill site, proceed south on U.S. Route-95 (US-95) from Goldfield, approximately 15 miles to the junction of State Route-266 (SR-266). Proceed west on SR-266, approximately six miles to the junction of a dirt access road located on the north side of SR-266. Proceed north on the access road about 1,000 feet to the GBP site, referred to by the Permittee as the "SW4 Claim".

**Characteristics:** GBP will mine (e.g., excavate) gold-bearing alluvial material from the SW4 claim site and utilize a dry grizzly and screen to separate ¼-inch minus fine material and pea gravel from the coarse-sized alluvium. No water will be utilized at any point during mining or processing, and chemicals are not authorized for use at the site. The GBP 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.

The screened material will be stockpiled, loaded into highway trucks, and then transported to an off-site, Nevada-permitted facility (actual location to be determined later) to demonstrate if gold recovery from the SW4 material is possible using gravity separation.

The initial phase will involve the collection of representative bulk samples from various locations within SW4 claim site, at a nominal rate of 1,000 tons per year, combined. Depending on the test results, the extent of the bulk sample collection

program could potentially increase to the current maximum permitted limit of 36,000 tons of ore per year.

## **B. Synopsis**

**History:** The historic Gold Point Mining District was organized in 1886. It was initially named the Lime Point Mining District and included the adjacent Tokop Mining District until 1900. Silver ore mined in the district was shipped to the railroad at Lida for transport to Tonopah, but poor recoveries, increased toll milling and transportation costs, and a gold mining boom in Goldfield (30 miles northeast of Gold Point), discouraged any further activity, and by 1900 mining had ceased within the district.

When the Goldfield gold boom subsided, an interest in exploration activity returned to the Gold Point Mining District. Silver and silver chloride (e.g., hornsilver or chlorargyrite) were discovered within the district around 1905, and in response, the district was renamed Hornsilver Mining District. Records indicate that the silver production from the newly renamed district never lived up to its expectations and in 1930, the district was renamed Gold Point.

Since the 1930s, exploration and mining activity within the district has been minimal.

**Geology, Hydrology, and Topography:** The historic Gold Point Mining District is located in the middle of the bow-shaped Slate Ridge and is underlain by Precambrian Wyman Formation and Reed Dolomite. The Wyman Formation consists of siltstone and claystone interbedded with limestone, which are metamorphosed in varying degrees to slates, phyllites, calcium-silicates, and marbleized limestones. Overlying the Wyman is the Reed Dolomite, a gray, coarsely crystalline dolomite, which is overlain by an alluvial layer (gold-bearing pay dirt) that ranges in thickness from 10 feet to greater than 100 feet. Intruding the Precambrian meta-sediments is a northeast trending finger of the Jurassic Sylvania pluton. It is likely that the north dip of the beds is the result of tilting from the emplacement of the pluton.

Both the meta-sediments and the pluton are faulted and sheared along a northeast-southwest-trending, high angle, parallel fault zone which is possibly related to the Silver Peak-Palmetto-Montezuma Oroflex structure. Paralleling the shear zone are fine-grained diorite dikes and ore-bearing quartz veins. The quartz veins are brecciated and cemented with hematite and chalcedonic silica. The brecciation of the veins, due to post-emplacment movement, rendered the original sulfides susceptible to oxidizing solutions.

Depth to groundwater beneath the GBP site exceeds 300 feet below ground surface (bgs). No perennial surface waters, drinking water wells, or springs exist

within ½-mile radius of the site and no monitoring wells have been identified within 5 miles of the GBP.

**Ore and Waste Rock Characterization:** Meteoric Water Mobility Procedure (MWMP)-Profile I and Acid Neutralization Potential/Acid Generation Potential (ANP/AGP) characterization results for six representative alluvial samples (CJT#6, CJT#7, CJT#16, CJT#18, CJT#27, and CJT#28) indicate that the material is non-acid generating with five of the six samples showing no potential for metal liberation. MWMP-Profile I characterization results for sample CJT#6 showed exceedances of the Division Profile I reference values for aluminum, arsenic, iron, and manganese.

**Mining and Mineral Processing:** The SW4 mining claim will be mined (e.g., excavated) in two phases utilizing a backhoe and/or front-end loader. Phase 1 mining will involve the excavation of 33 bulk sample trenches and removal of between 25 and 30 tons of alluvial material. Alluvial material is screened at the mining area prior to transport by passing it through a grizzly to remove oversize rocks and then screened to separate ¼-inch minus fine material and pea gravel from the coarse-sized alluvium. The coarse material will be used as backfill for the excavation trenches. The screened material will be stockpiled, loaded into highway trucks, and then transported to an off-site, Nevada-permitted facility (actual location to be determined later) to test the suitability and compatibility of the SW4 material when leached with sodium cyanide or gravity separation.

Should the testing results be favorable, the Permittee will proceed with Phase 2 of the GBP. In Phase 2, the bulk sample collection program will be expanded further to include the excavation of additional trenches, potentially increasing the combined process (e.g., screening) rate to the permitted limit of 36,000 tons of ore per year. For both phases, stormwater diversion structures will be constructed around the perimeter of the grizzly and screening areas and the excavation trenches.

Future plans include the collection of bulk alluvium samples from other claims within the Project area held by the Permittee. Additional Permit approvals and fees will apply.

**Reclamation:** Stockpiled reject material is combined and transported back to the mining area as backfill and the area regraded for reclamation by the end of every year.

**Ancillary Activities (Fuel and other Hydrocarbon Storage Areas):** All fuels and lubricants will be stored within lined or on secondary containment that meets or exceeds 110-percent of the volume of the largest tank. Electrical line power or generators will provide power to the portable mine office. The grizzly and screen are not powered but this may change at a later date.

**Petroleum Contaminated Soils (PCS) Management Plan:** The Permittee is not authorized to dispose of or treat PCS on the mine site without first obtaining from the Division approval of a PCS management plan. Any PCS generated is collected and the affected area remediated. PCS is placed in appropriate sealed vessels, temporarily stored on site and promptly transported off-site to an authorized facility for permanent disposal.

**C. Receiving Water Characteristics**

**Make-up Water:** No water is used at any time during mining and processing. Water may be obtained locally from the Gold Point municipal water supply for dust control.

**Groundwater and Surface Water:** Groundwater below the facility is at a depth exceeding 300 feet bgs. No perennial surface waters, drinking water wells, or springs exist within ½-mile radius of the site and no monitoring wells have been identified within 5 miles of the GBP.

**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 **Tonopah Times-Bonanza and Goldfield News** 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. Proposed Limitations, Schedule of Compliance, Monitoring, Special Conditions**

See Section I of the Permit.

**G. Rationale for Permit Requirements**

The facility is located in an area where annual evaporation is greater than annual precipitation. Therefore, it must operate under a standard of performance which authorizes no discharge(s) except for those accumulations resulting from a storm event beyond that required by design for containment.

Specific monitoring requirements can be found in the Water Pollution Control Permit.

**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.

Prepared by:	Rob Kuczynski, P.E.
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