

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF MINING REGULATION AND RECLAMATION
RECLAMATION PERMIT

PERMITTEE: Quartz Lake Mining, Inc.
P.O. Box 531
Goldfield, NV 89013

PROJECT NAME: Goldfield Bonanza Mine

PROJECT LOCATION: Portions of: Sections 35 and 36, Township 2 South, Range 42 East; and Sections 1 and 2, Township 3 South, Range 42 East; Mount Diablo Baseline and Meridian, Esmeralda County, Nevada

PERMIT NUMBER: 0425 **BLM (USFS) CASE:** N/A

PROJECT TYPE: Gold Mine **AMENDMENTS:** None

Pursuant to Nevada Revised Statutes (NRS) 519A.010 to 519A.280, inclusive, and regulations promulgated thereunder by the State Environmental Commission as Nevada Administrative Code (NAC) 519A.010 to 519A.415, inclusive, and implemented by the Division of Environmental Protection (hereinafter the Division), this permit authorizes **Quartz Lake Mining, Inc.** to reclaim the **Goldfield Bonanza Mine Project** consistent with the conditions of this permit and the reclamation plan dated, October 6, 2022, entitled *Goldfield Bonanza Mine Project, Esmeralda County Nevada Reclamation Plan*.

This permit is effective as of the ## day of April 2023, and upon receipt by the Division of an acceptable surety, or verification from the federal land management agency that satisfactory surety has been posted. A surety is required by NAC 519A.350 prior to engaging in the activities authorized by this permit. Unless it is modified, suspended or revoked by the Division, this permit is valid for the life of the project. The permit will not now or in the future serve as a determination of ownership or the validity of any mining claim to which it might relate.

The Permittee must comply with all terms and conditions of this permit and all applicable statutes and regulations.

Issued this ## day of April 2023.

Rob Kuczynski, P.E., Chief
Bureau of Mining Regulation and Reclamation

PERMIT LIMITATIONS AND REQUIREMENTS:

1. Permitted Disturbances

A. Disturbance Acreage Table: All disturbances are located on private lands.

Mine Component	Existing Disturbance (Acres)	Proposed Disturbance (Acres)	Total (Acres)
	Private	Private	Private
Exploration Roads & Pads			
Existing Exploration Roads (ER-1)	1.50	-	1.50
Phase 1 Exploration (ER-2)	-	0.30	0.30
Contingent Exploration Roads & Pads (ER-3)	-	15.46	15.46
Total Exploration Roads & Pads	1.50	15.76	17.26
Roads			
Ore Stockpile Facility Access Road (R-1)	-	0.10	0.10
WRF Perimeter Road (R-2)	-	0.77	0.77
Borrow Area Access Road (R-3)	-	0.33	0.33
Total Roads	-	1.20	1.20
Quarries & Borrow Areas			
Borrow Area (B-1)	-	1.26	1.26
Total Quarries & Borrow Areas	-	1.26	1.26
Ponds			
Storm Event Pond (P-1)	-	0.20	0.20
Total Ponds	-	0.20	0.20
Waste Rock Facilities			
Waste Rock Facility (W-1)	-	3.24	3.24
Total Waste Rock Facilities	-	3.24	3.24

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Mine Component	Existing Disturbance (Acres)	Proposed Disturbance (Acres)	Total (Acres)
	Private	Private	Private
Foundation & Building Areas			
Ore Stockpile Facility (BF-1)	-	0.10	0.10
Maintenance Shop/Assay Lab (BF-2)	-	0.10	0.10
Total Foundation & Building Areas	-	0.20	0.20
Yards			
February-Premier Shaft Area (Y-1)	1.21	-	1.21
Maintenance Shop/Assay Lab Area (Y-2)	1.66	-	1.66
Staff Trailers Area (Y-3)	-	0.20	0.20
Secondary Escape Raise Shaft Area (Y-4)	-	0.10	0.10
Growth Media Stockpile-North (Y-5)	-	0.37	0.37
Growth Media Stockpile-South (Y-6)	-	0.38	0.38
Explosives Powder Magazines (Y-7)	0.10	-	0.10
Total Yards	2.97	1.05	4.02
Drainage & Sediment Control			
Stormwater Diversion Channel ¹	0.15	0.35	0.50
Total Drainage & Sediment Control	0.15	0.35	0.50
Generic Material Hauling			
Remaining Ore Stockpile Material (GH-1)	-	0.10	0.10
Total Generic Material Hauling	-	0.10	0.10
Total Disturbance	4.62	23.36	27.98
TOTAL TO BE RECLAIMED	4.47	23.01	27.48

¹Stormwater Diversion Channel is a permanent feature and is not to be reclaimed upon mine closure.

B. Drill holes will be plugged in accordance with the provisions specified in Chapter 534 of the Nevada Administrative Code. All drill hole cuttings, grout, and fluids shall be

PERMIT LIMITATIONS AND REQUIREMENTS:

contained in sumps constructed at the drill sites. No more than one (1) drill hole will remain unplugged at any one time.

2. Departure from Approved Plan for Reclamation

A. Except in the case of an emergency, the operator may not depart from the approved plan for reclamation without a modification approved by the Division.

B. When an operator submits an amended plan of operation to the federal agency, a copy shall also be filed with the Division.

3. Fees

A. On or before April 15 of each year submit the fees as required by NAC 519A.235.

B. On or before April 15 of each year submit the fees as required by NRS 519A.260.

4. Reports

A. On or before April 15 of each year, the operator shall submit a report (NRS 519A.260), in a format specified by the Division, relating to the status and production of the operation and identifying each acre of land affected and land reclaimed by the operation.

5. Project Completion, Abandonment or Suspension of Work

A. The Division shall be notified in writing within ninety (90) days after an operation is complete or abandoned. The notice must state the date on which the activities for reclamation will begin as specified in NAC 519A.320.

B. The Division shall be notified in writing within ninety (90) days after work is suspended at the operation for more than one-hundred-twenty (120) days. The notice must state the nature and reason for the suspension; the anticipated duration of the suspension; and any event which would reasonably be expected to result in either the resumption of activities or the abandonment of the operation. The operator is not required to notify the Division of a temporary closure caused by weather conditions.

6. Surety

A. The Division and appropriate federal land management agency(s) shall review the estimate of the cost for reclamation submitted by the operator and determine if the estimate is adequate or reasonably sufficient to complete all required reclamation.

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B. The operator shall file and maintain an acceptable surety as specified in NAC 519A.350 to ensure that reclamation will be completed. The surety amount will be based on the approved cost for reclamation.

C. Within three (3) years after the effective date of this permit and at least every three (3) years thereafter, the operator shall submit to the Division and the appropriate federal land management agency(s) an updated estimate of the cost for reclamation to determine whether the surety amount is still adequate to execute the approved reclamation plan. Inflation must be considered.

D. The Division and the appropriate federal land management agency(s) may approve release of surety either in whole or in part at the request of the operator. The operator must provide documentation on reclamation work completed and/or stages of process fluid stabilization completed before any portion of the surety may be released. (See Attachment A)

E. Release of the surety amount for reclamation of a specific component or discrete part of a disturbance does not release the operator from liability for reclamation of that component of disturbance should the reclamation fail to meet the requirements of this permit.

7. Inspection of Exploration Project and/or Mining Operation

A. The operator shall allow authorized representatives of the Division, and the appropriate federal land management agency(s) to inspect the operation, during normal business hours, to determine compliance with the terms and conditions of this permit and the status of reclamation activities.

8. Notice of Noncompliance/Suspension or Revocation of Permit

A. A notice of noncompliance may be issued by the Division if an operator fails to comply with the provisions of NAC 519A.010 to 519A.415, inclusive; Chapter 519A of NRS; or an approved plan for reclamation.

B. The Division may suspend or revoke this permit if the operator does not resolve the noncompliance or agree to a corrective plan of action approved by the Division.

C. The surety posted by the operator may be forfeited if the permit is suspended or revoked, or the operator ceases to conduct business in the State of Nevada and does not transfer the permit to a new operator.

9. General Requirements

A. The operator shall maintain a copy of this permit and all modifications at the

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permitted project or operation at all times.

B. The provisions of this permit are severable. If any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances and the remainder of this permit, shall not be affected.

C. Any noncompliance with this permit shall be reported orally to the Division within forty-eight (48) hours of the time the operator has knowledge of the circumstances. A written summary shall be provided within ten (10) days after the oral report is made.

D. Any changes in the operator's name or address shall be reported within ten (10) days to the Division in writing and must indicate the permit number and appropriate changes.

E. Any changes in Corporation/Partnership/Proprietorship name, officers, or address shall be reported within ten (10) days to the Division in writing and must indicate the permit number and appropriate changes.

F. The operator shall meet the revegetation standards as set forth in Attachment B.

G. An operator who initiates reclamation activities prior to meeting chemical stabilization (closure) requirements will be responsible to provide a surety for and to repair any reclaimed areas which may be re-affected by closure activities.

10. Schedule of Compliance

A. The permittee shall achieve compliance in accordance with the following schedule:

1. On or before July 1, 2024, collect data and submit a baseline vegetation report to establish the site-specific revegetation release criteria for this project in accordance with the Attachment B guideline included with this permit.

Permit Modification History:

03/21/2023: Issuance of the Notice of Intent and Draft Reclamation Permit 0425.