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

Permittee Name: **Nevada Gold Mines, LLC**

Project Name: **Bullion Hills Underground Exploration Project**

Permit Number: **NEV2025109**
Review Type/Year/Revision: **New Permit 2026, Fact Sheet Revision 00**

A. Location and General Description

Location: The Bullion Hill Underground Exploration Project is located in Lander and Eureka Counties. The project is approximately 35 miles southeast of the town of Battle Mountain. The facility is situated 1 mile east of the Cortez Mine (Water Pollution Control Permit (WPCP) NEV0000023), 1 mile northeast of the Cortez Hill Project (WPCP NEV2007106), 7 miles southeast of the Pipeline Project (WPCP NEV0093109), 9 miles southeast of the Robertson Project 2 (WPCP NEV2021114), and approximately 7 miles southeast of the Pipeline Infiltration Project (WPCP) NEV009511, at the south end of Crescent Valley. The facilities are located within Sections 13, 24-26, 35, and 36, Township 27 North (T27N), Range 47 East (R47E); and sections 08, 09, 16, 17, and 19-21, T27N, R48E, Mount Diablo Baseline and Meridian. The project is on public land administered by the U.S. Bureau of Land Management, Mount Lewis Field Office, Battle Mountain. The site may be accessed by traveling 40 miles west from Elko, or 30 Miles east from Battle Mountain, on Interstate 80, then traveling approximately 31 miles south on Nevada State Route 306, then traveling approximately 9 miles southeast on Lander County Road 222.

General Description: The Bullion Hill Underground Exploration Project consists of the development of twin underground declines for geological characterization, exploration drilling, sampling, and geotechnical investigations. The declines originate from two engineered portals spaced approximately 82 feet apart, each excavated to dimensions of 20 feet wide by 20 feet high and ultimately extending approximately 21,800 feet toward the southeast. Surface water protection and geotechnical stability at the portals are achieved through shotcrete, soil nails, spiling, and structural support systems.

Surface Facilities include:

- A constructed portal pad built from non-PAG material to support operations
- Three double-lined leak detected Solid-Liquid Separation (SLS) ponds, each designed to contain approximately 441,350 gallons
- A lined Transfer Pad (480 ft by 150 ft) capable of storing up to 18,000 tons of material and used for temporary storage of PAG and potential ore-grade material
- Fuel and Reagent storage on a lined fuel island
- Freshwater and potable water tanks, compressors, generators, and ventilation fans
- A laydown yard, stormwater controls, and routing for freshwater and contact-water pipelines

The Project manages passive groundwater inflow using underground sumps and dual-contained pipeline systems that convey contact water to the SLS ponds. Decanted water is pumped to the existing Water Storage Reservoir (WSR) within the Cortez Operational

Area. Run-on stormwater is managed by engineered diversion channels located east and west of the portal pad.

This Project is currently an exploration-only operation. There will be no on-site mineral processing. If there is any ore encountered during development that ore will be transported to authorized facilities within Nevada Gold Mines (NGM) Cortez District.

B. Synopsis

Mining activity in the Cortez district has occurred for decades, with large-scale operations active since the late 1960's. Existing mining centers – including the Cortez Hills, Pipeline, and Goldrush Mines – operate under individual Water Pollution Control Permits and share regional infrastructure. The Bullion Hill Underground Exploration Project (Project) extends Nevada Gold Mines, LLC's long-standing exploration and development activities in the district

The Project proposes construction and operation of twin underground declines, each approximately 21,800 feet in length, accessed from two engineered portals located near the upper Mill Canyon alluvial fan. The declines will support geologic characterization, exploration drilling, bulk sampling, and geotechnical investigations. Development includes excavation of crosscuts, muck bays spaced approximately every 400 to 500 feet, underground sumps, a main pump station at approximately 12,500 feet, and ancillary infrastructure such as an underground explosives magazine.

Surface Facilities include a constructed portal pad, three double-lined solid-liquid separation (SLS) ponds 85 feet wide, 150 feet long, and 10 feet deep, with approximately 441,350 gallons of capacity each. The Lined Transfer Pad capable of storing up to 18,000 tons of waste rock or ore-grade material, stormwater diversion structures, fuel and reagent storage, ventilation equipment, two 80,000 gallon freshwater storage tanks, laydown areas, and access/haul roads. A number of these facilities – such as a water conveyance to the Water Storage Reservoir (WSR), road networks, and utilities – integrate with existing infrastructure at the Cortez Operations.

Groundwater inflows expected during decline development range from 10 to 190 gallons per minute, managed using underground sumps and a dual contained pipeline system conveying contact water to the SLS ponds. Decanted water is then pumped to the WSR for management under existing Cortez permits. Each SLS pond is constructed with 80-mil high density polyethylene (HDPE) double-liner systems equipped with leak detection and recovery features.

Waste rock generation is estimated at approximately 2.02 million tons, including about 1.94 million tons of non-PAG (non-potentially acid generating) and 81,000 tons of PAG (potentially acid generating) material. PAG waste rock and any ore-grade material will be stored temporarily on the 60-mil HDPE lined Transfer Pad and transported to authorized facilities at the Cortez Mine for appropriate management. All meteoric water and contact water will be conveyed via an HDPE lined trench from the stockpile pad to the SLS Pond 1. Non-PAG rock will be used in construction or placed at authorized waste rock facilities.

The regional hydrogeologic setting is within the Crescent Valley Hydrographic Basin, with groundwater characterized as circum-neutral and naturally elevated in arsenic and

manganese. Water-quality monitoring utilizes existing regional wells (MCMW-01, MCMW-02, SS-01, SS-02), supplemented by new project-specific monitoring. The Project is covered in Nevada Gold Mines' Four-Basin groundwater flow model, which evaluates basin-wide inflow, recharge, groundwater-level trends, and cumulative dewatering impacts. Long-term exhibit groundwater level declines in deeper carbonate systems, though drawdown associated with the declines is predicted to remain localized.

Geochemical characterization of waste rock, including static and kinetic testing, shows most materials to be non-PAG, with limited parameters exceeding Profile I reference values. Humidity Cell Tests (HCT's) indicate circumneutral pH and generally low metal mobility for most rock types. Testing and characterization comply with NDEP's 2025 guidance for waste rock evaluation.

Tentative closure plans include temporary closure procedures, long-term stabilization, sealing of declines with engineered plugs, removal of surface facilities, re-grading and re-vegetation of disturbed areas, and long-term monitoring of groundwater and vegetation. Post-mining land use is expected to return to grazing, wildlife habitat, and dispersed recreation.

C. Receiving Water Characteristics

The Project is located within the Crescent Valley Hydrographic Basin, a structurally controlled basin bordered by the Cortez Mountains to the west and the Shoshone Range to the east. Groundwater occurs in both shallow alluvial aquifers and deeper bedrock aquifers, including carbonate and siliciclastic formations.

Surface Water:

The Project area contains no perennial surface water features. Surface water flow is limited to ephemeral channels originating in the Cortez Mountains and conveyed across the upper Mill Canyon alluvial fan. These flows are strictly storm-driven and dissipate across alluvial deposits before reaching distal portions of Crescent Valley. Engineered diversion channels positioned east and west of the portal pad prevent run-on from contacting Project facilities.

Groundwater:

Groundwater beneath the site generally occurs at depth and is characterized as circum-neutral (near-neutral pH) with naturally elevated concentrations of arsenic and manganese, consistent with regional hydrogeochemical conditions. The Project relies on existing Cortez monitoring wells, supplemented by a new site-specific monitoring well and monitoring of SLS pond leak detection systems. Groundwater inflow to the declines is predicted to range from 10 to 190 gallons per minute, controlled by local fracture zones and geologic structures.

Groundwater inflow to the declines is predicted to range from 50 gallons per minute (gpm) in 2026 to a maximum rate of 338 gpm in 2030 per the regional groundwater model when the decline is predicted to intersect a zone of higher permeability. Per the regional groundwater model outflow from the underground workings will range between 56 gpm to 66 gpm during recovery and when the groundwater system reaches equilibrium, respectively. The refined local-scale groundwater model predicts a groundwater inflow rate

of 10 to 190 gpm, controlled by local fracture zones and geologic structures. The entire groundwater system in the GRUG and BHD area is affected by multiple mine sites (CHOP, CHUG, Pipeline, and GRUG), and uncertainties related to future mining and pumping are likely to affect dewatering predictions.

The broader Cortez District utilizes the Nevada Gold Mines Four-Basin Groundwater Flow Model, which incorporates hydrologic data from Crescent Valley, Pine Valley, Antelope Valley, and the Little Smoky Valley basins. Model outputs identify long-term water-level declines associated with regional dewatering activities. However, predicted groundwater impacts associated with the Bullion Hill declines are localized and limited in magnitude, with no projected adverse impacts to waters of the State.

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 published on the Division website: https://ndep.nv.gov/posts/category/land. 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 the public notice is posted to the Division website. 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 or 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 new 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.

The primary method for identification of escaping process solution will be placed on required routine monitoring of leak detection systems as well as routinely sampling

downgradient monitoring wells. 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 (the 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: Charles Schmitz
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Revision 00: New Permit.