

# PROJECT UPDATE April 2016

ROYAL MOUNTAIN KING MINE RECLAMATION

MERIDIAN BEARTRACK COMPANY



*I am pleased to tell you we finally are working toward regulations for closure and long-term management of the Royal Mountain King mining site. As we have felt so close to this point in the past, we do remain in a "wait and see" mode. But I am optimistic, and wanted to share what we know now about our status. You also may be receiving a notice from the Central Valley Regional Water Quality Control Board about its actions on these regulations. I welcome your questions.*

*Adam Whitman, President (775-850-3700 ext 3770); adam.whitman@Yamana.com*

**RECOGNIZING WHAT WE ALL KNEW** – After four years of review, the Central Valley Regional Water Control Board formally recognized that natural geologic formations contribute to poor quality of the underlying groundwater at Royal Mountain King (RMK). We appreciate the agreement from our neighbors on this essential fact about our region. A standard applied broadly since 1975 says all regional groundwater serves "beneficial uses" such as drinking water and agriculture unless otherwise proven. The state water Boards eventually agreed that our mining activity "did not generate acid mine drainage or contain hazardous waste." Meridian objected, however, to regulatory assertions that the mine was responsible for causing what is known locally as salty groundwater on the mine site. That meant the mine was to "clean up" salty water on our property to meet the "beneficial use" standards that were never met by nature in much of Salt Springs Valley. Ultimately, the State Water Board agreed that even if mining activity altered the water quality around specific mined locations and rock storage piles, "other factors, including the naturally occurring presence of salt-bearing geologic formations at the Site, contributed to the poor quality of the underlying groundwater." The Regional Board finally has modified the requirement to "clean up" specific salty water areas on our property. An independent, external scientific peer review supported that action, and an environmental analysis concluded the modification "results in no effect, either



*Water is moving well this year through a flow-measurement weir on Littlejohns Creek. Computer-managed valves control Skyrocket Lake water discharge.*

individually or cumulatively, on fish, wildlife, or the environment." That means we can proceed to closure and a long-term management plan at RMK.

**WHAT'S NEXT?** During this most recent review process, our focus was on managing and monitoring the water systems on the property. We continue to successfully decrease naturally occurring arsenic in Skyrocket Lake with an iron treatment technique in order to meet requirements that we release water from the lake. With this year's rains, we have been able to use the outflow on the lake to Littlejohns Creek. Low water conditions last year meant we could not meet the specific conditions for discharging from the lake. The lake level remains much lower than its engineered capability, as the Board requires. **Next step?** We hope the Central Valley Regional Water Board will adopt the final "Waste Discharge Requirements" in June, essentially confirming the operating procedures we have been using at the direction of the Board since 2008. With reclamation well established and water systems in place, Board action is a formal step that shouldn't involve many noticeable site changes.



**FAMILIAR FACES** –Gary Russell (right) was part of the RMK crew from the beginning of mine operations, becoming Maintenance Manager and then Reclamation Manager. After several years managing reclamation projects around the country, he has again joined John Teagle (left), working at RMK as well as on other reclamation activities in the area. We feel fortunate to have these two long-time RMK employees managing our site, as well as available to respond to our neighbors.

**Property note** ... I have had some questions about the sale of property bordering our land. I want to clarify that Meridian has not sold any property, and we don't have any immediate plans to do so. The property that was sold is adjacent and east of the long driveway from Rock Creek Road, up to the gate to the mined areas. We leased that land at the start of mining and built an administration building, located on the left at the gate. We relinquished the lease and building in 2001, when we consolidated all activities at the former shop/maintenance building familiar to our neighbors. Our only connection with that property is an easement that allows for sharing of our driveway, and we don't have any further information about plans of the new owner.

*To contact Gary Russell about the RMK site, or to tour call 785-3222.*