Permit No. 77769T

TEMPORARY

THE STATE OF NEVADA

PERMIT TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:	**ROUND MOUNTAIN GOLD CORP HOMESTAKE NEVADA CORP, BARGOLD CORP DBA SMOKY VALLEY COMMON OPERATION**
Source:	**UNDERGROUND**
Basin:	**BIG SMOKY VALLEY-NORTHERN PART**
Manner of Use:	**MINING, MILLING AND DEWATERING**
Period of Use:	**January 1st to December 31st**
Priority Date:	**08/14/1981**

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This temporary permit to change the point of diversion, place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 44299 is issued subject to the terms and conditions imposed in said Permit 44299 and with the understanding that no other rights on the source will be affected by the change proposed herein. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. This source is located within an area designated by the State Engineer pursuant to NRS 534.030.

This temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this temporary permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies, and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire one year from the date of approval at which time all rights herein granted shall revert to the right being changed by this temporary permit.

This temporary permit will allow the permittee to dewater the pit area. It is understood that any water obtained as a result of this dewatering operation shall be used first by the permittee for mining, milling, heap leaching, drilling, road watering, and other related mining and milling uses (hereinafter referred to as mining and milling).

Any water pumped and not used for mining and milling purposes shall be infiltrated back to the Big Smoky Valley Groundwater Basin, Northern Part (137B). The permittee shall discharge water in a manner to achieve maximum conservation of the water resource.

(Continued on Page 2)

The total combined duty of water for consumptive purposes under Permits 536, 1077, Certificate 267; Permit 2908, Certificate 353; Permit 3898, Certificate 2347; Permit 12442, Certificate 3831; Permit 12445, Certificate 3832; Permit 12768, Certificate 3751; Permit 14119, Certificate 4889; Permit 26650, Certificate 13904; Permit 26652, Certificate 13905; Permits 44297, 44299, 44300, Certificate 13174; Permits 50971, 51577, Certificate 13185; Permit 51578, Certificate 13186; Permits 53365, 55498, 55500 through 55503, 59217, 59218, 60874 through 60876, 70169 through 70185, 76598 through 76602 and Temporary Permits 76716T through 76718T, 77007T, 77041T, 77042T, 77499T through 77507T, 77747T, 77749T through 77754T, 77756T through 77763T, and 77765T through 77776T will not exceed 13,910 acre-feet annually.

Monthly records shall be kept of the following and reported within 15 days after the end of each quarter:

A. The total volume of water pumped from each diversion in acre-feet.

B. The maximum flow rate from each diversion in cubic feet per second.

C. The pumping water level from each well in feet above mean sea level.

D. The volume of water consumptively used for mining and milling in acre-feet.

E. The amount of water diverted to the infiltration sites in acre-feet.

F. The amount of water diverted to other consumptive uses, if any, in acre-feet.

G. The amount of water lost through evaporation or other system losses project wide.

H. The status and flow rates of various surface water sources in the area that may be impacted by the dewatering.

The State Engineer retains the right to require additional monitoring. The permittee, on a schedule acceptable to the State Engineer, shall prepare and present an update on the activities of the mine and the monitoring on a periodic basis, but not less than once per year.

The State retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and to protect existing rights.

The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 0.78 cubic feet per second or 564.70 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**N/A**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**N/A**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 25th day of **February**, A.D. **2009**

K. Hull P.E.
for State Engineer

llb

(DW-26)

TEMPORARY

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Serial No. 77769T

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office JAN 0 8 2009

Returned to applicant for correction

Corrected application filed Map filed FEB 1 4 2002 under 6 8 4 6 0 T

The applicant Round Mountain Gold Corp, Homestake Nevada Corp, BaRGold Corp dba Smoky Valley Common Operation

P.O. Box 480 (Street and No. Or P.O. Box No.) of Round Mountain (City or Town)

Nevada 89045 (State and Zip Code No.), hereby make s application for permission to change the point of diversion, place and manner of use of a portion of water heretofore appropriated under Permit # 44299 (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

1. The source of water is underground (DW-26) (Name of stream, lake, underground, spring or other sources.)
2. The amount of water to be changed 0.78 cfs (Second feet, acre-feet. One second foot equals 448.83 gallons per minute.)
3. The water to be used for mining activities (including reclamation), milling, domestic, and dewatering (Irrigation, power, mining, commercial, etc. If for stock state number and kind of animals. Must limit to one major use.)
4. The water heretofore used for mining, milling, and domestic (If for stock state number and kind of animals.)
5. The water is to be diverted at the following point within the NW1/4 of the SE1/4 of Section 24, T10N, R43E, (Describe as being within a 40-acre subdivision of public survey and by course and distance to a section corner. If on unsurveyed land, it should be stated.) M.D.M., at a point from which the NW corner of said Section 24 bears N 44 degrees 56 minutes 59 seconds W for a distance of 5231.4 feet
6. The existing point of diversion is located SE1/4 NE1/4 Section 25, T10N, R43E, MDM, at a point from (If point of diversion is not changed, do not answer.) which the NE corner of said Section 25 bears N 1 degree, 16' E, 2643 feet

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7. Proposed place of use See "Attachment 1"
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

8. Existing place of use within Sections 17, 18, 19, 20, 29 and 30, T 10N, R 44E, MDM (portions unsurveyed)
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or manner

and Sections 13, 23, 24, 25, and 26, T 10N, R 43E, MDM
of use of irrigation permit, describe acreage to be removed from irrigation.

9. Use will be from January 01 (Month and Day) to December 31 (Month and Day) of each year.

10. Use permitted from January 01 (Month and Day) to December 31 (Month and Day) of each year.

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works Existing well.
State manner in which water is to be diverted, i.e. diversion structure, ditches,

pipes and flumes or drilled well, pump and motor, etc.

12. Estimated cost of works $100,000

13. Estimated time required to construct works Cased well with submersible pump and electric motor.
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use Temporary right.

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

This well will serve to dewater the mining pit and to ensure highwall stability. The water developed will be co-mingled with other water rights held by the applicant and will be primarily utilized in the mining and milling processes, including associated reclamation activities.

2009 JAN -8 AM 8:44
STATE ENGINEER'S OFFICE

By Clay Self
Print or type name clearly

Clay Self
Signature, applicant or agent

P.O. Box 480
Street and No., or P.O. Box No.

Round Mountain, NV 89045
City, State, Zip Code No.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$100 FILING FEE MUST ACCOMPANY APPLICATION

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Attachment 1

7. Proposed Place of Use:

T9N, R43E; All of sections 1, 2; portions of sections 3, 10, 11, 12, 14, 15
T9N, R44E; Portion of section 6
T10N, R43E; Portions of section 11, 12; all of sections 13; portions 14, 23, all of sections 24, 25; portions of section 26, 34, 35; all of section 36
T10N, R44E; Portions of sections 4, 5, 6, 7, 8, 17; all of section 18; portions of sections 19, 20, 29; all of section 30; portion of section 31
T11N, R43E; Portions of sections 25, 36
T11N, R44E; Portions of sections 19, 20, 28, 29; all of section 30, portion of section 31, all of section 32, portions of section 33