



THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of Permittee: MCEWEN MINING INC.
Source: UNDERGROUND
Basin: KOBEH VALLEY
Manner of Use: MINING, MILLING, AND DOMESTIC
Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST
Priority Date: 09/10/2012

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 permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance issued under the provisions of NRS 533.371 for a finite period of time. This permit will expire on December 31, 2023 and all rights herein will revert to the source. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. 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. The totalizing meter must be installed before any use of water begins, or before the proof of completion of work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

The permittee shall keep monthly records of the amount of water pumped from this well and the records submitted to the State Engineer on an annual basis by February 15th of each year.

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

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

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

(Continued on Page 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 1.114 cubic feet per second, and not to exceed 500.0 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

July 22 2016

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

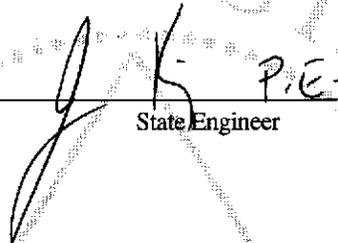
July 22 2019

Map in support of proof of beneficial use shall be filed on or before:

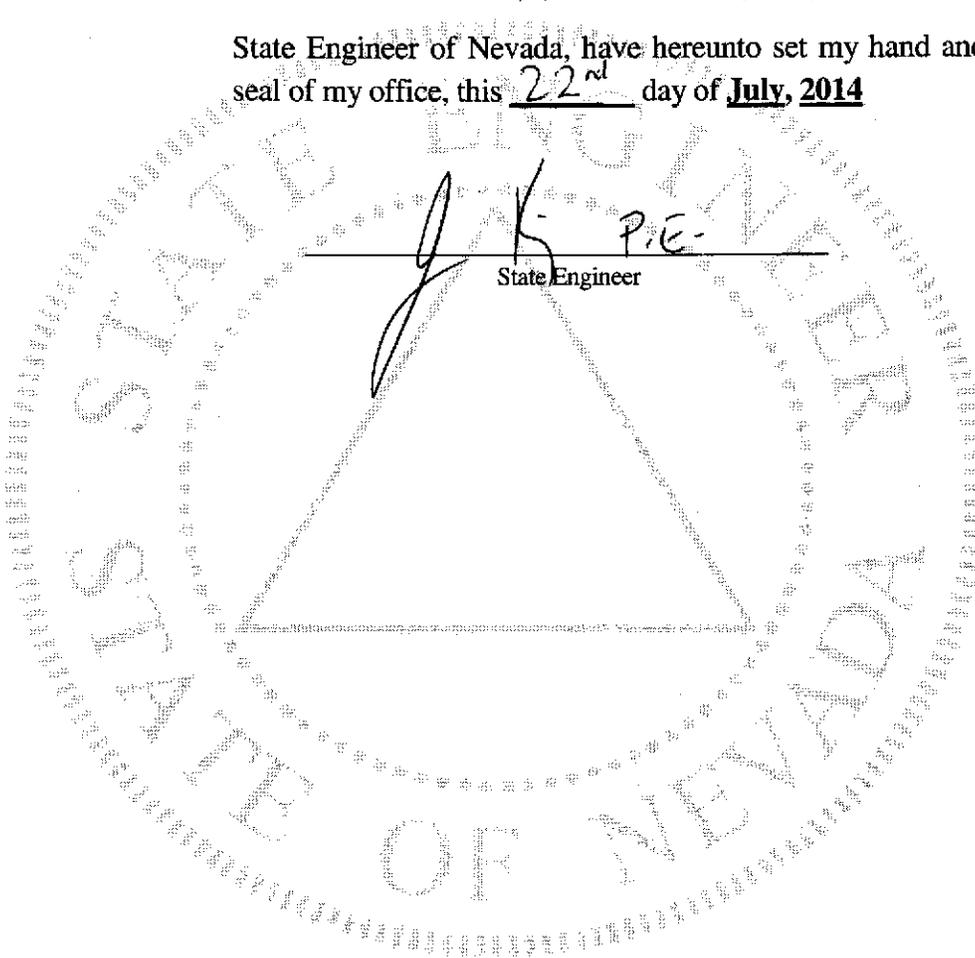
N/A

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 22nd day of July, 2014



State Engineer



AMENDED

Application No. **82105**

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY	
Date of Filing in State Engineer's Office	<u>SEP 10 2012</u>
Returned to applicant for correction	<u>SEP 14 2012</u>
Corrected Application filed	Map filed <u>OCT 16 2012</u>

The applicant McEwen Mining Inc.
1595 Meadow Wood Lane, Suite 3 of Reno
Street Address or P.O. Box City or Town
Nevada 89502 hereby make(s) application for permission to appropriate the
State and ZIP Code

public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

McEwen Mining Inc. was organized under the laws of the State of Colorado on July 24, 1979.

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- The source of water is Underground
Name of the stream, lake, underground, spring or other sources.
 - The amount of water applied for is 1.114 cfs; not to exceed 500.00 acre-feet annually
One second foot equals 448.83 gallons per minute.
 (a) If stored in a reservoir give the number of acre-feet _____
 - The water is to be used for Mining, Milling & Domestic
Irrigation, power, mining, commercial, domestic or other use. Must be limited to one major use.
 - If use is for:
 - Irrigation, state number of acres to be irrigated _____
 - Stockwater, state number and kind of animals _____
 - Other use (describe fully in No. 12) _____
 - Power:
 - Horsepower developed _____
 - Point of return of water to stream _____

5. The water is to be diverted from its source at the following point: (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a found section corner. If on unsurveyed land, it should be so stated.)

Within Lot 3 (NE¼ NW¼) of Section 2, T.21N., R.50E., M.D.B.&M., or at a point from which the NW Corner of said Section 2 bears N68°47'20.59"W, a distance of 2,649.63'.

6. Place of use: (Describe by legal subdivision. If on unsurveyed land, it should be so stated)

Please refer to Attachment "A" and the Supporting Map accompanying this Application.

7. Use will begin about January 1 and end about December 31 of each year.
Month and Day Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with a pump and motor, etc.)

Drilled and cased well equipped with pump and motor. Power, storage and transmission systems are also required to place the water to beneficial use.

9. Estimated cost of works: \$1,250,000

10. Estimated time required to construct works: 3 years
(If the well is complete, describe works.)

11. Estimated time required to complete the application of water to beneficial use: 5 years

12. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

Water will be pumped to a storage tank that delivers water to the mill / process plant, accessory buildings, crusher and other auxiliary systems such as fire and dust suppression.

13. Miscellaneous remarks:

tdonahoe@srk.com
E-mail Address

775-828-6800
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Timothy P. Donahoe

Type or print name clearly
Timothy P. Donahoe
Signature, applicant or agent

SRK Consulting
Company Name

5250 Neil Road, Suite 300
Street Address or PO Box

Reno, NV 89502
City, State, ZIP Code

STATE ENGINEERS OFFICE
10/2 OCT 16 PM 3:11
RECEIVED

**AMENDED
ATTACHMENT "A"**

T.22N., R.49E., M.D.B. & M.

A portion of Sections 25, 26, 27 and 28.

T.23N., R.50E., M.D.B. & M.

All of Section 35 and a portion of Section 34.

T.22N., R.50E., M.D.B. & M.

All of Sections 2, 3, 10, 11, 13, 14, 15, 23, 26 and 35; and a portion of Sections 1, 4, 9, 12, 21, 22, 28, 29 and 30.

T.21N., R.50E., M.D.B. & M.

All of Section 2 and a portion of Section 11.

T.22N., R.51E., M.D.B. & M.

All of Section 7 and 18.

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STATE ENGINEERS OFFICE