



# TEMPORARY

## THE STATE OF NEVADA

### PERMIT TO CHANGE THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

**Name of Permittee:** VERIS GOLD USA, INC  
**Source:** UNDERGROUND  
**Basin:** INDEPENDENCE VALLEY  
**Manner of Use:** MINING, MILLING, DEWATERING AND DOMESTIC  
**Period of Use:** ONE YEAR FROM DATE OF ISSUANCE  
**Priority Date:** 09/03/1996

\*\*\*\*\*

#### 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 of a portion of the waters of an underground source as heretofore granted under Permit 62429 is issued subject to the terms and conditions imposed in said Permit 62429 and with the understanding that no other rights on the source will be affected by the change proposed herein. This well shall be equipped with a two (2) inch opening for measuring depth to water and 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 the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste.

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.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire 1 year after the approval of the permit 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 mine area. It is understood that any water produced as a result of this dewatering operation shall be used first by the permittee for mining, milling and related uses. Any water pumped and not used for mining and milling purposes shall be recharged to the Independence Valley Groundwater Basin.

(Continued on Page 2)

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 or injection sites, if any, in acre-feet.
- F. The amount of water lost through evaporation or other system losses project wide.

The State Engineer may require additional monitoring should conditions warrant such modification.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The total combined duty of water for consumptive purposes under Permits 50675, 52771, 54192, 54878, 59911, 61393, 61394, 62306, 62307, 62428, 62429, and Temporary Permits 82933T and 82934T shall not exceed 2,500.0 acre-feet annually.

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 0.5 cubic feet per second or 362 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:

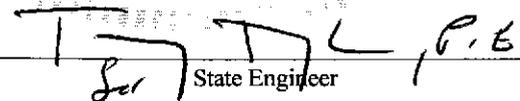
N/A

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

N/A

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 20th day of August, 2013

  
 State Engineer

T

**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 JUN 28 2013

Returned to applicant for correction \_\_\_\_\_

Corrected application filed \_\_\_\_\_ Map filed JUN 28 2013

The applicant Veris Gold USA Inc.  
HC 31, Box 78 of Elko  
Street Address or PO Box City or Town  
Nevada 89801 hereby make(s) application for permission to change the  
State and ZIP Code

Point of diversion       Place of use       Manner of use       of a portion  
of water heretofore appropriated under (Identify existing rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

permit #62429 ✓

- The source of water is underground  
Name of stream, lake, underground, spring or other sources.
- The amount of water to be changed 0.5 cfs (361.985 acre-feet)  
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- The water to be used for mining, milling, de-watering and domestic  
Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use
- The water heretofore used for mining, milling, de-watering and domestic  
If for stock, state number and kind of animals.
- The water is to be diverted 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 stated.)  
within the NE¼NE¼ Section 15, T.40N., R.53E., M.D.M. from which the NE corner of said section 15 bears N.76°49'E., 98 feet distant. (see enclosed temporary map)
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)  
the NW¼SE¼ Sec. 33, T.41N., R.53E., M.D.M. from which the SE corner of said Sec. 33 bears S.41°52'E., a distance of 3,091 feet. (please refer to map filed under #62428)

I.V.  
3-36  
61

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

Same as existing

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

T.39N.,R.53E., M.D.M. - Sections 1 through 24; T.39N.,R.54E. - Sections 5 through 8, 17 through 20;  
T.40N.,R.53E. - all sections; T.40N.,R.54E. - W 1/2 Sec.3, Secs. 4 through 8, 17 through 20, 29 through 32;  
T.41N.,R.53E. - all sections; T.41N.,R.54E. - Sections 5 through 8, 18 through 20, 29 through 33, W 1/2 Sec.34.  
(please refer to map filed under #62428)

9. Proposed use will be from January 1 to December 31 of each year.  
Month and Day Month and Day

10. Existing use permitted from January 1 to December 31 of each year.  
Month and Day Month and Day

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.) (State manner in which water is to be diverted, i.e., diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)

Drilled and cased well, submersible pump and motor, pipelines to storage tank and to various sites within place of use.

12. Estimated cost of works \$150,000.00

13. Estimated time required to construct works six months

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use one year

15. 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 to be used for dust control, mineral exploration drilling, sample preparation, ore zone de-watering as encountered in mine development and incidental domestic use by work force.

16. Miscellaneous remarks:

Upon completion of proposed well and verification of production, a permanent change application will be submitted. Reports of conveyance for all files of Queenstake Resources U.S.A., Inc. changing name to Veris Gold USA Inc. have been recently filed. Please send copies of notices and correspondence to the undersigned agent.

bill@farrwestengineering.com  
E-mail Address  
(775)738-2121  
Phone No.

APPLICATION MUST BE SIGNED  
BY THE APPLICANT OR AGENT

William A. Nisbet, agent

Type or print name clearly  
William A. Nisbet  
Signature, applicant or agent  
Farr West Engineering  
Company Name  
421 Court Street  
Street Address or PO Box  
Elko, Nevada 89801-3527  
City, State, ZIP Code

STATE ENGINEERS OFFICE  
2013 JUN 28 AM 10:11  
RECEIVED