



THE STATE OF NEVADA

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

Name of Permittee: MCEWEN MINING INC.
Source: UNDERGROUND (GBPW-211)
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, to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 82105, is issued subject to the terms and conditions imposed in said Permit 82105 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. 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 source is located within an area designated by the State Engineer pursuant to NRS 534.030.

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.

The well must be sealed from ground level to 100 feet in accordance with NAC 534.380.

The total combined duty of water under Permits 84546 and 84547 shall not exceed 500 acre-feet annually.

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 groundwater basin.

This permit will expire on December 31, 2023, and all rights herein will revert to the source.

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 0.4456 cubic feet per second or 200.0 acre-feet annually.**

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

June 19 2017

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

June 19 2018

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

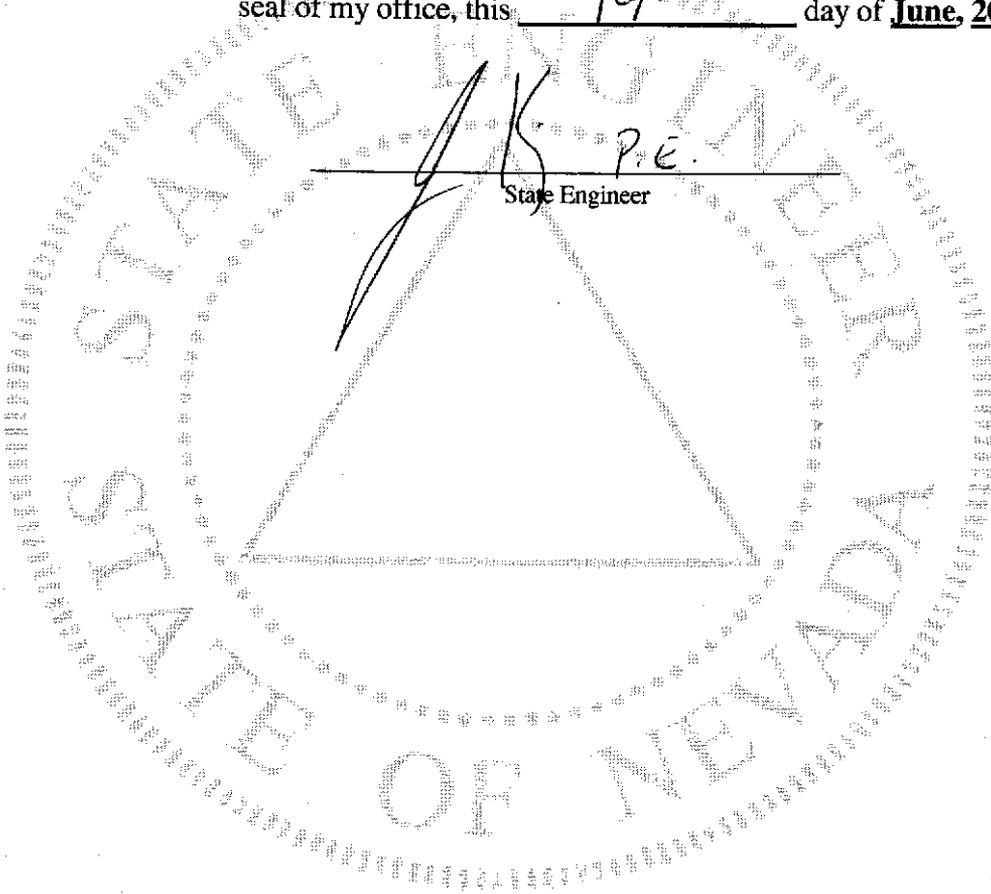
N/A

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 19th day of June, 2015



P.E.
State Engineer



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 NOV 24 2014

Returned to applicant for correction DEC 03 2014

Corrected application filed DEC 05 2014 Map filed DEC 05 2014

The applicant McEwen Mining Inc.
1595 Meadow Wood Lane, Suite 3 of Reno
Street Address or PO Box City or Town
Nevada 89502 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 82105

- The source of water is Underground (GBPW-211)
Name of stream, lake, underground, spring or other sources.
- The amount of water to be changed 0.4456 cfs; 200 acre-feet annually
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- The water to be used for Unchanged
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 & 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.)
GBPW-211 located within the SW 1/4 SW 1/4 of Section 19, T.22N., R.51E., M.D.B.&M., or at a point from which the SW Corner of said Section 19 bears S85°03'40.69"W, a distance of 363.89'. Please refer to the Supporting Map accompanying this Application.
1,193.50' As per email
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
Lot 3 (NE 1/4 NW 1/4) 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'. Please refer to Permit 82105 and the corresponding Supporting Map.

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

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

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.)

Please refer to Attachment "B".

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

12. Estimated cost of works \$1,250,000

13. Estimated time required to construct works 3 years

If well completed, describe well.

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

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

16. Miscellaneous remarks:

The total combined duty under this Application and Application 84547 shall not exceed 500 acre-feet annually.

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SRK CONSULTING ENGINEERS OFFICE
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E-mail Address

(775) 828-6800

Phone No.

228

Ext.

Timothy P. Donahoe

Type or print name of agent

Timothy P. Donahoe

Signature, applicant or agent

SRK Consulting (U.S.), Inc.

Company Name

5250 Neil Road, Suite 300

Street Address or PO Box

Reno, NV 89502

City, State, ZIP Code

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

ATTACHMENT "A"
Proposed Place of Use (Applications 84546 & 84547)

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 and 24; and a portion of Sections 1, 4, 9, 12, 21, 22, 28, 29 and 30.

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

All of Sections 7, 18 and 19.

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ATTACHMENT "B"
Existing Place of Use (Permit 82105)

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 Sections 7 and 18.

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