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VIA U.S. & ELECTRONIC MAIL

Clerk of the Board of Supervisors
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Re: Reply to Community Environmental Advocates Foundation and Correction to the Record

Dear Members of the Board of Supervisors:

I represent Rise Grass Valley, Inc., which recently petitioned your Board ("Board") to recognize its vested right to conduct operations at the Idaho Maryland Mine ("Mine"). While the Vested Right Petition ("Petition") is comprehensive in its analysis of both the law and the history of the Mine, Rise believes it is important to respond to the recent submittals sent to the County by the Community Environmental Advocates ("CEA") and its lawyers Shute Mihaley & Weinberger LLP ("SMW"). This letter serves to demonstrate that both the CEA and SMW letters present clearly erroneous interpretations of the relevant legal principles upon which the Petition relies, and the CEA letter asserts facts that are inaccurate, irrelevant, or both. This Reply corrects and supplements the Administrative Record.

As outlined briefly below, and in greater detail in the Petition, the law requires that the Board follow the basic inquiry set forth by the California Supreme Court in *Hansen Brothers vs. Board of Supervisors of Nevada County,* which: 1) outlined the legal test the County must follow; 2) set the relevant evidentiary standard; 3) made clear which party has the duty to make a showing of the vested right and which has the heavy burden of trying to prove abandonment; and 4) made clear what facts are relevant to the legal analysis. Applying the *Hansen Brothers* ruling to the undisputed facts that Rise has presented compels the recognition of Rise's vested right to operate the Mine.

A. The SMW Legal Analysis is Incorrect On Every Front

The SMW letter applies an incorrect legal standard at every step of its argument. First, it claims that the vested right to operate the Mine expired a year after operations were "discontinued" because of language in Nevada County's Code that simply does not apply. The *Hansen Brothers* ruling, specifically states that "the term 'discontinued' in a zoning regulation dealing with a

nonconforming use is sometimes deemed to be synonymous with 'abandoned.'" (*Hansen Brothers Enterprises, Inc. v. Board of Supervisors* (1996) 12 Cal.4th 533, 569.) To be clear, abandonment can only be established only through the *Hansen Brothers* two-part test.

Second, the SMW letter argues that even if its claim above is false (which it is), the fact that underground mining has not occurred since 1956 by itself proves abandonment. The ruling in the *Hansen Brothers* case, however, found that "Cessation of use alone does not constitute abandonment." (*Ibid.*)

Third, SMW claims that "The burden is on Rise, the owner of the vested right, to demonstrate that its alleged right has not been abandoned." (SMW Letter, page 3.) This assertion is demonstrably false. The party seeking to deprive Rise of its vested property right must prove the right has been abandoned, using the *Hansen Brothers* two-part test by a showing of clear and convincing evidence.

This Response examines each of the above claims and demonstrates that the only correct test to establish a vested right is stated in *Hansen Brothers* and, combined with the undisputed facts, compels a recognition of Rise's vested right to operate the Mine.

1. Rise Need Only Show That the Mine Is Vested by A Preponderance of the Evidence; and Even CEA Admits that the Right to Mine Vested in 1954

SMW is either mistaken or intentionally misleading the Board when arguing that all evidentiary burdens fall on Rise. The petitioner for a vested right does have the burden of proof to establish that right (*Hansen* at 564), however the threshold for demonstrating that a vested right exists is extremely low. The law requires only that Rise show that the vested right is *more likely than not to exist*. Put simply, if Rise provides enough evidence to indicate a 50.1% chance that a vested right exists, the Board has a legal obligation to confirm that right. (See *Hardesty v. State Mining & Geology Bd.* (2017) 219 Cal.Rptr.3d 28, 37 [to show a vested right exists, the burden is preponderance of the evidence]).

Decades of California and federal Constitutional law make clear that Rise, as the owner of the vested right, need only demonstrate that the County adopted an ordinance requiring a permit to mine; and that mining operations were being conducted both before and immediately after the County first required a permit to mine. If these two points are established, the mine was 'vested' or 'grandfathered' upon implementation of the County ordinance. Rise need only show these facts by the absolute lowest legal standard that exists in California law: preponderance of the evidence (i.e. more likely than not). Once Rise has shown that the mine was vested, or grandfathered, by a preponderance of the evidence, the burden of proof then shifts to any opponent to the recognition of that right. The evidence proving the vested right is so overwhelming that in its October 15, 2023 Letter, even CEA admits that the mining use vested in 1954. (See CEA Letter, page 37.)

2. Once the Right to Mine Vests, The Burden Shifts to Opponents to Show Abandonment by Clear and Convincing Evidence

SMW's erroneous presentation of the burdens of proof confuses what is really a straightforward evidentiary standard. First, SMW wrongly states that Rise must show the right to mine vested ***and*** must prove that the right has not been abandoned. Second, it continues the error by asserting that Rise failed to meet the imaginary burden to "prove that abandonment has not occurred." (SMW Letter, pages 3-4.)

SMW is demonstrably incorrect as a matter of law. Once Rise establishes that the mine was vested, the burden shifts to any party seeking to deprive Rise of its property right, here CEA, who must then meet the higher standard of showing abandonment by *clear and convincing evidence*.

According to the California Evidence Code, "Except as otherwise provided by law, a party has the burden of proof as to each fact the existence or nonexistence of which is essential to the claim for relief or defense that he is asserting." (Evid. Code, § 500.) The California Law Revision Commission provides further guidance:

> Usually, the burden of proof requires a party to convince the trier of fact that the existence of a particular fact is more probable than its nonexistence--a degree of proof usually described as proof by a preponderance of the evidence. Evidence Code § 115; Witkin, California Evidence § 59 (1958). However, in some instances, the burden of proof requires a party to produce a substantially greater degree of belief in the mind of the trier of fact concerning the existence of the fact--a burden usually described by stating that the party must introduce clear and convincing proof (Witkin, California Evidence § 60 (1958).

(Evid. Code, § 500, Law Revision Commission Comments [emphasis added].)

Depriving a property owner of constitutionally protected property rights requires a higher burden—as it should. (See *Group Property, Inc. v. Bruce* (1952) 113 Cal.App.2d 549, 559 ["Abandonment is never presumed, but must be made to appear affirmatively by the party relying thereon"]; *Pickens v. Johnson* (1951) 107 Cal.App.2d 778, 787 ["The abandonment of property necessarily involves an act by which the possession is relinquished, and this must be a clear and unmistakable affirmative act indicating a purpose to repudiate the ownership."].) "The burden of proof to establish abandonment... of the mining claims ***being upon [defendant/challenger], he being required by law to establish [abandonment] by clear and convincing proofs."*** (*Clarke v. Mallory* (1937) 22 Cal.App.2d 55, 64.) As has been the established law for nearly a century, proof of abandonment requires the party claiming the waiver of a right [abandonment] "to prove it by clear and convincing evidence that does not leave the matter to speculation, and 'doubtful cases

will be decided against a waiver'." (*City of Ukiah v. Fones* (1966) 64 Cal.2d 104, 107-108, quoting *Church v. Public Utilities Com.* (1958) 51 Cal.2d 399, 401.) "Waiver is the intentional relinquishment of a known right after knowledge of the facts." (*City of Ukiah* at 107 quoting *Roesch v. De Mota* (1944) 24 Cal.2d 563, 572.)

Contrary to SMW's assertions, in order to deny Rise's vested right to operate the Mine, an opponent must prove that the Constitutionally-protected vested right to continue mining operations was abandoned by clear and convincing evidence.

3. Abandonment Requires Both Intent and an Overt Act

SMW further claims that Rise's clearly established vested right to operate the Mine should be deemed abandoned because underground mining operations have not occurred since 1956 and because Nevada County Code Section L-II 5.19 purports to extinguish automatically any vested right after a one-year discontinuance of use. SMW ignores, however, that it was this same provision in Nevada County's Code that was in controversy in the Supreme Court's *Hansen Brothers* decision, and that the court ruled against SMW's exact position in that case. (*Hansen* at 568-569.)

The Supreme Court recognized in *Hansen Brothers* that "the Nevada County Land Use and Development Code provides: 'If the nonconforming use is discontinued for a period of one hundred eighty (180) days or more,[1] any following use shall be in conformity with all applicable requirements of this Chapter.'" (*Hansen* at 568.) The Court then ruled: "The term 'discontinued' in a zoning regulation dealing with a nonconforming use is sometimes deemed to be synonymous with 'abandoned.' Cessation of use alone does not constitute abandonment. '[A]bandonment of a nonconforming use ordinarily depends upon a concurrence of two factors: (1) An intention to abandon; and (2) an overt act, or failure to act, which carries the implication the owner does not claim or retain any interest in the right to the nonconforming use.'" (*Hansen* at 569.)

It should be self-evident that the Supreme Court's Constitutional test supersedes any contrary interpretations of County codes. In fact, the *Hansen Brothers* test has been applied in every mining vested right proceeding since 1996. Similar to Nevada County, Riverside, Inyo, San Bernardino, and Yuba Counties each have a similar code provision prescribing a time limitation for discontinuance of a nonconforming use, ranging from 6 months to 1 year, and each has recently processed a vested rights Petition. Notwithstanding these provisions, each County consistently processed mining vested rights applications using the two-part *Hansen Brothers* test for abandonment, and not their respective "automatic extinguishment" code provisions (see e.g.,

[1] Note that this period was later changed to a period of one year or more by a revision to the Land Use and Development Code through Ordinance 2033, effective July 27, 2000.

recent vested rights petitions for Riverside, Inyo, San Bernardino, and Yuba Counties.[2]). The reason every county exclusively applies the *Hansen Brothers* test is quite simple: *Hansen Brothers* is the applicable law.

4. The *Stokes* Case is Legally and Factually Distinguishable from the Legal Arguments and Facts Found in the Petition

Having misinterpreted the test the for abandonment, SMW compounds its mistake by appealing to the First Appellate District's *Stokes* case. That case involved a three-story building used as a public bathhouse, which was closed to help stem the spread of the AIDS virus. (*Stokes v. Board of Permit Appeals* (1997) 52 Cal.App.4th 1348, 1351.) A year after operations stopped, the property was rezoned to require a use permit for any commercial use above the first floor, and the City also required a permit to open a bathhouse on the first floor. Some years later, Stokes purchased the property and claimed a vested right to use the property as a bathhouse.

Relevant facts cited by the court were that operations had ceased before the requirement for a permit was imposed, the previous owners had filed an application to convert the bathhouse into a shelter/senior center, the building was not only not used, but was abandoned of all legal use for likely ten years, and most critically, the court found that "Since it would have been against the law to use the [property] as a public bathhouse at the time the zoning changes became effective in 1985, no lawful nonconforming use existed to which Stokes can claim a vested right." (*Stokes* at 1356–1357.). In addition to the "...overwhelming and unrefuted" evidence of abandonment (*Stokes* at 1352–1353). In sum, the bathhouse use never vested because the use had ceased before the requirement for a permit was imposed.

If Rise had ceased operations before the County passed its ordinance requiring a permit to mine, or if SMW could point to *any* evidence of an affirmative abandonment under the *Hansen Brothers* test, *Stokes* would at least be somewhat persuasive. Beyond the obvious fact that the test for abandonment of mining operations is uniquely different from the test for abandonment of bathhouses, the *Stokes's* use is inapposite to the Idaho Maryland Mine. Unlike the use in *Stokes*, which never vested as a legal nonconforming use because it had completely stopped *prior* to the

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[2] Riverside County Planning Department Staff Report, Robertson's Ready Mix Vested Right Application (Febr. 28, 2023) [available at: https://wearetv.org/blog/docs/robertsons.pdf]. Memorandum from Office of the County Counsel to Inyo County Board of Supervisors, Limestone Quarry Vested Right Application (Nov. 8, 2022) [available at: https://www.inyocounty.us/sites/default/files/2022-11/Final%20Staff%20Report%20%281%29.pdf]; San Bernardino County Planning Commission Staff Report, Chubbuck Mine Vested Right Application (Febr. 23, 2023) [available at: https://www.sbcounty.gov/uploads/LUS/PC/Braavos%20Vested%20Right%20STAFF%20REPORT%20FINAL.pdf]; Yuba County Planning Commission Staff Report, Spring Valley Quarry Vested Right Application (Nov. 18, 2020) [available at: https://cms7files.revize.com/yubaca/CDSA_DRC_PC_Planning/November%20PC/PC%20Staff%20Report%20Spring%20Valley%20Vested%20Mining%20and%20Exhibits.pdf

requirement to obtain a permit, the Mine was fully operational both *before and after* the County's implementation of its ordinance, which vested the use. In addition, in *Stokes*, the court found that "uncontroverted evidence... establish[ed] more than a temporary vacancy, but rather an *intentional decision to abandon the premises*." (*Stokes* at 1354 [emphasis added].) In contrast, the Petition provides extensive evidence that all current and prior owners of the Idaho Maryland Mine always intended to, and did in fact, retain their right to mine in the future.

It is, perhaps, understandable that SMW ignores the critical difference between the *Stokes* case, in which there was clearly an intent to abandon the use, and Rise's case, in which the overwhelming evidence that each of the owners intended the Mine to eventually reopen, because in 1996, SMW argued that intent is irrelevant with respect to vested rights in an amicus curiae that it submitted in the *Hansen Brothers* case in support of Nevada County's decision to not to confirm Hansen's vested right. There, SMW unsuccessfully argued that: "a landowner's subjective desire to use its property in a certain way does not establish a right which this County (or the State of California) must or should recognize as 'vested.' Rather, absent objective evidence in the form of the property owner's actual use of the property, such intent does not ripen into a vested right."). (Brief of California Counties as Amicus Curiae, *Hansen Bros. Enterprises v. Board of Supervisors of the County of Nevada*, 12 Cal.4th 533 (1996).) As with SMW's proposed automatic extinguishment doctrine, SMW's argument was rejected outright by the Supreme Court, whose decision specifically required first an "intention to abandon" and then an overt act to disclaim an interest in the vested right. (*Hansen* at 569.) Neither element can be applied to Rise or any of Rise's predecessors-in-interest in the Mine.

5. The *Hardesty* Case Used the Supreme Court's Test, but Unlike the Idaho Maryland Mine, The Mine Owner Voluntarily Signed a Statement Abandoning the Vested Right

SMW's citation to the unpublished (and therefore uncitable) *Hardesty v. State Mining & Geology Board* decision is similarly misguided. (See SMW Letter, page 7.) Although *Hardesty* did involve a vested rights claim with respect to a mine, in that case, the court applied the correct two-part test articulated in *Hansen Brothers* (*Hardesty v. State Mining & Geology Bd.* (2017) 219 Cal.Rptr.3d 28, 44-45) but found that the "evidence of abandonment was overwhelming...." Importantly, the Court found that "Critically, [mine owner] *certified to the government that all mining had ceased, with no intent to resume*, which was uniquely persuasive evidence of abandonment. Indeed, it is difficult to conceive of clearer evidence that the mine was permanently closed than [owner]'s certification, which is direct evidence of [owner]'s intent to classify the mine as closed with no intent to reopen." (*Hardesty* at 45 [italics original].) Neither CEA nor the County can point to anything in the administrative record similar to the "overwhelming evidence of abandonment" found in the *Hardesty* case, which came in the mine owner's own certification that he had no intent to ever reopen the mine.

The *Hardesty* case does, however, offer confirmation that the issue at stake in Rise's case is not whether operations ceased, as SMW unsuccessfully argued in its amicus curiae in the *Hansen Brothers* case and continues to assert today, but whether there was in the record an overt act to abandon the right to mine. "The question in such cases is whether there is an intent to abandon or permanently cease operations, or instead a business judgment that a temporary–even if prolonged–hiatus should be made. Otherwise, as *Hardesty* suggests, an operator might be forced to continue operations at a loss–perhaps for decades–in order to await market recovery at some unknowable future point." (*Hardesty v. State Mining* at 44.) The SMW letter opens by mocking Rise's claim as "absurd" that a vested right could persist during decades of operational suspension; yet, the very case that they themselves cite upholds the *Hansen Brothers* ruling that cessation of operations cannot prove the abandonment of a vested right, however long that cessation may last. Abandonment requires both intent and an overt act.

B. The Idaho Maryland Mine Has Never Been Abandoned

As demonstrated above, Rise is under no obligation to disprove abandonment; it is the opponents that must prove their claim, and do so with clear and convincing evidence. The Petition contains nearly two thousand pages of evidence demonstrating that abandonment never occurred, and this Letter shows that CEA's factual claims are either false, irrelevant, or in some cases, even bolster Rises' Petition.

1. <u>The Idaho Maryland Mine was Closed Due to Fluctuating Market Demand and Government-Imposed Low Gold Prices, Not Voluntary Abandonment</u>

It is an irrefutable fact that the Mine was forced to close in 1956 due to the price of gold, which was fixed at an artificially low price by the policies of the federal government.[3] As discussed in detail in the Petition, the mine owners took care to keep the mineral estate intact and important surface land under ownership, demonstrating their intent to reopen when profitable. As an example, the Idaho Maryland Mines Corporation was aware that it would be some years before gold prices would be increased by the government, but viewed such a price increase as

[3] See the 1955 Idaho Maryland Mine Annual Report (Exhibit 196, page 3): *"Mining and milling of gold ore was discontinued as of December 27th 1955 and all operations turning to the production of tungsten. Only a substantial increase in the price of gold would make it profitable to return to gold mining in the Grass Valley properties of the Corporation."*

inevitable.[4] The Corporation even lobbied Congress in 1961, requesting that the gold mining industry be subsidized until gold prices were allowed to increase.[5]

In addition to the words directly from the Corporation, adjacent miners and local politicians expressed the same intent and belief. In 1957, when both the Idaho Maryland and Empire mines were allowed to flood, Newmont, the owner of the adjacent Empire mine, was optimistic it would eventually reopen:

> "Future operations are still possible at the Empire, however, should the price of gold be increased above $35 per ounce."[6]

> "Bulkheads are being installed at various levels in the Empire unit of operation so portions of the mine can be un-watered and worked in case of a gold price boost. The bulkheads will hold back water in adjoining sections and thus remove the need of pumping out the entire mine if and when gold mining again becomes profitable."[7]

Some local politicians were discussing efforts for a price increase at the time of closure:

> "United States Senator William F. Knowland last night told 200 Nevada County Republicans and party leaders he is prepared to introduce a bill in the next session of congress under which the price of gold could be doubled."[8]

While CEA and SMW desperately try to equate a government-imposed shutdown with abandonment, the California Supreme Court again overruled SMW's faulty legal analysis, finding that suspension of mining activity alone does not constitute abandonment of the vested use, and cannot be inferred. (*Hansen* at 570, fn. 28.) "Abandonment is never presumed, but must be made to appear affirmatively by the party relying thereon." (*Group Property, Inc. v. Bruce* (1952) 113 Cal.App.2d 549, 559.) The fact that CEA and SMW ignore the Supreme Court and make this exact presumption anyway, is instructive. (SMW Letter, page 11.) The evidence and exhibits in the Petition are clear: past and present Mine owners have spent tens of millions of dollars in pursuit

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[4] See the 1954 Idaho Maryland Mine Annual Report (Exhibit 195, page 4): *"Nothing has occurred to alleviate the predicament in which the gold miner is placed by trying to meet 1955 costs with a 1934 price for his product. No changes have been made in monetary management or in the attitude of the Government towards the right of Americans to own gold. It is not expected that anything will be done specifically for the relief of the gold miner, but he will indirectly benefit when the inevitable revaluation of the dollar becomes necessary, and the gold standard is restored."*

[5] See Exhibit 177.

[6] Exhibit 419 - *Auburn Journal*, Mar. 21, 1957.

[7] Exhibit 209 - *Nevada State Journal*, Jul. 7, 1957.

[8] *The Sacramento Bee*, Dec. 10, 1957 [attached hereto as Exhibit A].

of operating the property as a gold mine. The Petition exhaustively documents the extensive exploration, engineering, and development activities, over decades requiring an investment of approximately $80 million dollars.[9]

2. Every Facet of the Mine's History Demonstrates Strong Intent to Preserve the Right to Mine

Each of Rise's predecessors-in-interest evidenced a clear intent to resume mining operations. Beginning at the 1954 vesting date, the Idaho Maryland Mines Corporation sold several surface properties to obtain cash in an effort to stay in business. In each instance, the Company expressly reserved both the mineral estate and mining rights and took affirmative actions to expand mining operations by, for example, preparing to sink a winze on the 3,280-foot level of the Mine and reserving sufficient lands for milling purposes at the Brunswick and Union Hill shafts for reopening the mine in the future. The Corporation also attempted to gather the funds to facilitate future mining and exploration through the application of a grant from the Defense Mineral Administration.[10]

Subsequent owners, William and Marian Ghidotti, likewise took affirmative steps toward future resumption of mining operations. They purchased several additional surface properties contiguous to the Mine. Marian Ghidotti clearly evidenced intent to preserve the option to mine in the future when she specifically insured the Mine as a "mining asset" in 1977.[11] Even at her death, Marian Ghidotti bequeathed the Mine to the BET Group because she believed them to be capable of facilitating the resumption of mining operations.[12]

The BET Group likewise took several actions necessary to support the continuation of mining operations. The Group sold ancillary portions of the surface estate for development purposes, while always explicitly reserving the mineral estate, recognizing the value of the mine. The Group also retained the core surface lands surrounding the New Brunswick and Union Hill shafts, as well as the site of the historic New Brunswick ore processing mill. By 1986, the BET Group was marketing the Mine as a mining asset and negotiating mining leases with various gold mining companies in order to restart gold mining.[13] From 1988 to 2013, the BET Group executed mining leases and option agreements with Mother Lode Gold Mines, Consolidated Del Norte Ventures, and Emperor Gold (also known as Emgold Mining Corporation and Idaho-Maryland Mining Corporation). Emperor Gold was engaged in the permitting process to reopen the Mine until 2013,

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[9] Emgold reported $16.97 million in share capital as at 1999 (See Exhibit 284), $32.59 million was raised by Emgold for the project from 2002-2010 (See Exhibit B), Rise Gold reported $30.33 million paid in Capital in 2023 (See Form 10-Q, Rise Gold Corporation (quarter ending April 30, 2023) [available at: https://www.sec.gov/ix?doc=/Archives/edgar/data/1424864/000106299323013511/form10q.htm).

[10] See Appendix C, page 246.

[11] See Exhibit 227.

[12] See Exhibit 227.

[13] See Exhibits 261-262.

at which point the BET Group, through its agent Charles Brock, listed the property for sale as a mine.[14] Rise Resources Inc. purchased the Mine in 2017 and has been attempting to reopen the Mine since then.

3. Nevada County Recognized the Vested Right to Mine in 1980

The right to mine vested in 1954 and included both waste rock and gold mining–both of which were occurring at that date.[15] In 1980, the County granted a use permit for rock crushing, a screening plant and retail gravel sales operation on the property, *and specifically recognized the waste rock processing operation as an "expansion of an existing, nonconforming use*." The existing, non-conforming use necessarily encompassing both waste rock and gold mining was derived from the historic mining operation in 1954 and was not abandoned despite cessation of mining for periods of at least seven years.[16] During the planning commission hearing for U79-41 in 1980, the County acknowledged that Marian Ghidotti is considering "re-opening the mine because of the price of gold."[17] Moreover, the Staff Report stated as follows;

> *It is noted that the provisions of the "M1" Light Industrial District in which the subject property is located do not allow gravel harvest and processing as permitted or conditionally permitted uses.[18] However, the property owner has indicated that mine rock has been sold and taken from the property continuously since the mine closed, and so this use permit application is for an expansion of an existing, non-conforming use by the addition of a crusher and screening plant.*[19]

Until the County passed a new mineral management element of the General Plan in 1990, the Mine property was not zoned to allow for permitting of surface mining operations.[20] Therefore, the

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[14] See Exhibit C.

[15] None of the other cases cited by CEA as support contradicts the fact that waste rock quarrying occurred at the vesting date. (See *County of Du-Page v. Elmhurst-Chicago Stone Co.* (1960) 18 Ill.2d 479, 484; *Paramount Rock Co. v. County of San Diego* (1960) Cal.App.2d 217, 232; *Hardesty v. State Mining & Geology Bd.* (2017) 219 Cal.Rptr.3d 28, 43 [review denied and ordered not to be officially published]; *Calvert v. County of Yuba* (2006) 145 Cal.App.4th 613, 623.)

[16] Underground Mining ceased at the end of 1956 (See Petition, page 37) and mining did not recommence until 1964 or later, when waste rock crushing and sales on surface was conducted (See Exhibit 424).

[17] Exhibit 254.

[18] By 1980, the property was zoned M1, mining was not a permitted or conditional permitted use in M1 zoning, and surface mining could not be considered or allowed in this zoning. (See Nevada County Zoning Ordinances Nos. 500, 643, and 835 [available at https://nevco.legistar.com/LegislationDetail.aspx?ID=3222398&GUID=32B8F235-A0C6-46AE-8AB3-73B877261937&Options=Text|Attachments|Other|&Search=500, https://nevco.legistar.com/LegislationDetail.aspx?ID=3222541&GUID=9632B5CF-34E2-4AC9-89E7-16BA6432556C&Options=Text|Attachments|Other|&Search=643, and https://nevco.legistar.com/LegislationDetail.aspx?ID=3222733&GUID=E7A670A6-4B0D-43D2-934C-6693A8BC4427&Options=Text|Attachments|Other|&Search=835, respectively.)

[19] Exhibit 252, pages 1, 2.

[20] Exhibit 278.

County continued to confirm the vested right with each amendment to Use Permit U79-41 in 1985 and 1986.[21]

C. CEA's Factual Assertions Do Not Show Abandonment

1. Mine Owners Were Not Required to Submit an Annual Report

Similar to every other authority cited by CEA, the Surface Mining and Reclamation Act ("SMARA") does not support CEA's position. As clearly stated in SMARA: "Nothing in this chapter shall be construed as requiring the filing of a reclamation plan for, or the reclamation of, mined lands on which surface mining operations were conducted prior to January 1, 1976. (Cal. Pub. Res. Code § 2776(c).) The owners of the Mine were never required to submit a reclamation plan and therefore were also not required to file annual reports. A reclamation plan will be required to be submitted to and approved by the County prior to continuation of surface mining activities, which has not yet occurred.[22]

2. Waste Rock is a Necessary Byproduct of Gold Mining Operations

Highlighting its lack of understanding of both relevant law as articulated in *Hansen Brothers*, as well as basic mining practices and procedures, CEA and SMW believe waste rock quarrying and processing are "distinct" from gold mining operations. (SMW Letter, pages 11-14; CEA Letter, page 37.) It is clear from CEA's discussion that its members do not understand the fundamentals of mining—gold or otherwise. Far from being an independent operation, waste rock quarrying and processing are both necessary parts of gold mining.[23] Waste rock is produced during gold mineralization for two reasons: 1) the rock contains ore that is too low in grade but must be mined through in order to reach ore of sufficient grade; or 2) the rock is quarried as a by-product of infrastructure construction, such as tunneling and raising.[24]

Despite this reality, SMW asserts that *Hansen Brothers* "expressly acknowledged that if one of the mining uses had been an 'independent aspect of the business,' any vested right to that use could be 'broken down'—and lost—separately from the broader mining operations." (SMW Letter, page

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[21] Exhibits 253, 259, 260.

[22] Note that a Reclamation Plan was submitted and approved by the County in 1980 for U79-41 (see Exhibit 251) and in 1992 for Use Permit U92-037. (See Exhibit 277.) The Morehose Quartz Mine was soon after sold with the mineral rights retained as discussed in the Petition.

[23] Mine development producing waste rock is discussed in many of the exhibits. Such waste rock production was also occurring on the 1954 vesting date. "New mine exploration and development working driven totaled 7,284 linear feet as compared with 5,669 feet in 1953" (See Exhibit 195, page 5), also see Mine Development Reports from 1954 (Exhibit 179).

[24] For example, see Exhibit 112, Pages 8-9, stating that in 1933, 29,286 tons of waste was mined in development of drifts, crosscuts, raises, and winzes, and the ratio of waste to ore was "three feet of waste to one foot in ore to provide the necessary ore for continuous operations."

12.) SMW's twisted citation turns the Court's holding on its head when the Court's finding was actually that: "Unless an independent aspect of the business has been discontinued, the use may not be broken down into component parts." (*Hansen* at 566.) Notably, the Nevada County mine subject to dispute in *Hansen Brothers* (the Bear's Elbow mine) was a placer gold mining claim located in 1945 that was not patented until 1981. (*Hansen* at 544–545.) Similarly, the Bear's Elbow mine was originally a gold mine which produced both gold and aggregates.[25] It is instructive to note as well that the Bear's Elbow mine was found *not* to be abandoned even though operations had been ceased for years.

At the vesting date in 1954, both waste rock quarrying and gold mining at the Idaho Maryland Mine were occurring simultaneously. SMW falsely suggests that waste rock processing and gold production did not occur at the same time. (SMW Letter pages 12-13). To the contrary, there are many examples of gold mining and waste rock processing, incidental to gold mineralization occurring at the same time prior to the Mine's closure. In 1919,[26] 1921,[27] and 1935,[28] for example, waste rock produced from gold mining operations was used to construct a tailings dam. In the period from 1937 to 1947, surface rock was quarried from the Morehouse Quartz claim for expansion of the tailings dam.[29] Waste rock and tailings were also used to fill underground mine voids as part of historic mining methods.[30] Waste rock was also sold for construction purposes during the period in which gold mining was occurring.[31] It is clear that the vested right created at the vesting date encompassed both waste rock and gold mining. Because a vested right cannot be broken down to encompass "less than the entire business operation," (*Hansen* at 566) the confirmation of the vested right by the County in 1980 included the mining of both waste rock and gold mineralization.

3. The Vested Right Encompasses the Geographic Scope of Key Mining Components

CEA states that "the key mining components existed on parcels not owned by Rise" (CEA Letter, page 4.) and that the "reserved area includes only one of the Mill Site APNs" (CEA Letter, page 14). Once again, CEA is confused, this time about the definition of the word "mill," and the assertions are incorrect. As is discussed throughout the Petition, a major mineral processing plant

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[25] See Special Publication 87 – Placer Gold Recovery Methods, Department of Conservation Division of Mines and Geology (1986) [attached hereto as Exhibit D], pages 25-26.
[26] See Exhibit 67, page 3.
[27] See Exhibit 73, page 3.
[28] See Appendix C, page 149.
[29] See Aerial photographs from 1939 and 1947 of the Centennial Industrial Site which show new quarrying activity west of the tailings dam. (Exhibits 394, 399.) This rock quarry would later be used as a rock crushing site for the activities described in Use Permit U79-41 and reopened as a quarry (borrow pit) in the amendment U86-45. Further quarrying at this site was permitted under Use Permit U-92-037.
[30] See Sand-Slime Stope Filling, Engineering and Mining Journal (Jan. 1949) (attached hereto as Exhibit E).
[31] See Exhibits 375, 376.

(an ore "mill") was located adjacent to the New Brunswick Shaft on lands owned by Rise.[32] When the Petition uses the word "mill," it is referring to an ore mill—not a sawmill. The Petition uses the word "sawmill" when referring to lumber manufacturing plants.

The "Centennial Industrial" and "Brunswick Industrial" sites were both used for "key mining components" of the Idaho Maryland Mine. It is beyond question that both gold mining operations *and* waste rock quarrying occurred on both the Centennial and Brunswick sites, and that both sites were part of the same mine. The South Idaho mine shaft and the tailings ponds, as well as multiple ancillary mining facilities such as material storage buildings and warehouses, are located on the Centennial Industrial site. The Centennial Industrial site is also the location of the aggregate mining operation which occurred from 1964 or 1965 through the 1990's. As discussed previously, these operations are in fact key mining components. Moreover, the New Brunswick shaft, headframe, and mineral processing plant, as well as ancillary buildings including the waste rock dump and materials storage areas, are located on the Brunswick Industrial site. As discussed in *Hansen Brothers*, a vested right includes all "uses normally incidental and auxiliary to the nonconforming use," such as tailings ponds, warehouses, and storage and office buildings. (*Hansen* at 565.) It is not limited simply to "ore processing facilities," as CEA suggests. (CEA Letter, page 4.)

4. CEA's Historical Record "Analysis" Omits Key Evidence

The CEA and SMW submittals were full of selective citation of historical facts, which either omitted the circumstances of those facts or engaged in quoting only part of a citation to give a false impression of the historical record. Both submittals cite multiple historical occurrences as "evidence of abandonment" which categorically do <u>not</u> evidence abandonment. Though Rise's Petition discusses at length why these occurrences do not evidence abandonment, the following items bear mention.

i. Episodic Cessation of Use Does Not Establish Abandonment

Among the most egregious mistruths told by CEA (as well as the easiest to debunk) is that flooding the mine shafts, the sale of mining equipment, or the mining company's bankruptcy establish abandonment. The Idaho Maryland Mine, including the various smaller mines which were consolidated into the Mine, such as the Brunswick and Union Hill mines, were each flooded, closed, dewatered, and reopened multiple times throughout their collective existence. This cycle of activity and inactivity, flooding and dewatering, is a natural part of an underground gold mine's life. This aligns with the unique nature of mining as discussed in *Hansen Brothers*. Mining is seasonal and sometimes episodic—it is wholly dependent upon market demand, the availability of funding, and the fluctuating price of gold. (*Hansen* at 570.)

[32] See Exhibits 1, 370, 380.

ii. The Sale of Extraneous Portions of the Mineral Estate Was Not Abandonment.

The Idaho Maryland Mine Corporation's sale of peripheral mineral rights prior to filing bankruptcy in 1962 was an effort to continue mining and raise funds to keep the company solvent in the face of government interference in the marketplace. In the January 29, 1960 Board of Directors Minutes, the Idaho Maryland Mines Corporation intentionally sold only the portion of its mineral estate holdings which were "*non-contiguous*" and "*not accessible* through the main mine shafts."[33] It expressly reserved the most important, core mineral rights necessary to facilitate future mining operations.[34] Instead of showing abandonment, the intentional and targeted sale of non-critical assets actually *strengthens* the claim that the Corporation had every intent to resume mining operations once conditions became more favorable. The combination of government interference with the gold market and business failures in an industry unrelated to mining, forced the Corporation to declare bankruptcy before mining could resume, and is simply another indication of the episodic nature of mining brought about by the government fixing gold at an artificially low price.

iii. The Sale of Mining and Processing Equipment in 1957 Was Not Abandonment

The Brunswick mine equipment, 750-ton per day mineral processing plant, and related buildings and machinery were sold by auction on May 27th, 1957.[35] The funds received from the sale of this equipment was used for payment of property taxes and to satisfy outstanding debt[36] and therefore was a necessary action in order to retain the mineral estate and surrounding surface property in order to be able to reopen the mine in the future. In addition, the periodic and total replacement of mining and milling equipment occurred numerous times throughout the Mine's history as discussed throughout the Petition.

iv. BET Group Mineral Reservations Show Preservation of the Right to Mine.

The BET Group's effort to preserve the mineral estate evidences its intent to resume mining in the future, either by reopening the Mine itself or by selling/leasing it to a mining company. Moreover, the mineral estate reservation delayed approval of the subdivision. Facts that are relevant, but completely ignored by CEA, are that the Planning Commission noted that this was "a recognized mining area" which created difficulties in "allowing residential development in an area where the mineral rights are being retained."[37] Had the BET Group not reserved the mineral estate, the subdivision process would have been both easier and quicker. However, the BET Group recognized the future value in these rights and expressly reserved them, notwithstanding the

[33] Exhibit 415.
[34] Exhibit 415.
[35] Exhibit 422.
[36] See Appendix C, page 252 [attached hereto as Exhibit F].
[37] Minutes of the Nevada County Planning Commission Hearing (1986) [attached hereto as Exhibit G].

hardship. Even nearby residents were aware that the Mine property was "prime gold deposit property and the Ghidottis knew that and this was why they held the property vacant."[38] The BET Group retained and never sold the core surface parcels of the subdivision (Lots 6 and 7), which hosted the New Brunswick and Union Hill shafts, and the site of the historic New Brunswick ore-processing mill.

v. Sierra Pacific Industries Never Owned the Mineral Estate and did not own the Majority of the Surface Parcels Associated with the Mine.

Sierra Pacific Industries owned only certain surface parcels associated with the historic Mine and did not own any of the mineral estate, and therefore could not possibly abandon the vested mining right—even by accident. Regarding the purpose of the rezone application, CEA omits a critical portion of the cited quote regarding the rezone application, which was to seek the County's agreement that "uses *such as* those contemplated… would be considered appropriate for this site."[39] Thus, it is clear that the County did not intend to limit permitted uses to those explicitly discussed in the application. At the Board of Supervisors meeting discussing the rezone, a representative of Sierra Pacific Industries explained the company's intent to use the site for "industrial purposes."[40] Clearly, Sierra Pacific did not intend to limit its use of the property to exclude mining operations, and is a far cry from *knowingly* abandoning a Constitutional right.

Indeed, the property has been used as a lumber mill, a lumber storage facility, and Rise itself leased part of the property to PG&E as a parking lot for its utility trucks. None of these activities conflict with the development of an underground mine or can serve as evidence of abandonment.

In fact, Sierra Pacific Industries entered into an agreement to lease the property to Emperor Gold with an option to purchase in 1994—just one year after applying for the rezone.[41] In all likelihood, Sierra Pacific Industries was involved in negotiations with Emperor Gold Corporation at the same time the rezone process was occurring, and had certainly not dismissed the possibility of mining operations to resume in the future.

vi. Mining Was a Compatible Use as Far as the County was Concerned.

In 2003, Sierra Pacific Industries proposed to subdivide approximately 20 acres adjacent to Brunswick site. At that time, the Idaho-Maryland Mining Corporation (formerly Emperor Gold) held a mining lease with an option to purchase the Mine and Mine property. Ross Guenther, Project Manager and Director of the Corporation, submitted a comment letter to the County informing it that "the last use of our property has been for underground mining, including

[38] Exhibit G.
[39] Exhibit 282.
[40] Exhibit 282.
[41] Exhibit 285.

dewatering, ventilation, mining, milling, and ingress and egress to the Idaho-Maryland Mine with its existing 3,460-foot shaft. We intend to apply for these mining purposes in the future and would like to see this taken into account for any nearby development."[42] The Staff Report for the subdivision application noted that subsurface mining was ***not*** incompatible with a residential land use designation. Moreover, in response to Ross Guenther's letter, the County added a mitigation measure to the approval consisting of a note on the Subdivision Map which reads: "geologic information indicates that significant inferred resources are present. There is a possibility that extraction and processing of mineral deposits could occur in the future, under and in the vicinity of this site."[43] The County and the owners of the Mine clearly contemplated future mining activities on the Mine property.

vii. Charles Brock Listed the Property for Sale as a Mine

In 2014, Charles Brock, on behalf of the BET Group, listed the mine for sale as a gold mine. A copy of the listing is included in the Petition as Exhibit 307, and is attached hereto as Exhibit C for convenience. The MineListings.com listing included 2,750 acres of mineral rights, as well as "[a]n extensive collection of core samples." The listing specified that "[p]revious efforts to re-open the mine produced a 43-101 Technical Reports *[sic]* evidencing strong gold reserves, a Draft EIR (2008), a Phase 1 Environmental (2007) and Assays, all available upon request."

CEA completely ignores the listing, and instead uses a quotation by Mr. Brock from *The Union*, in which he stated, "We're not selling a mine.... The property is not permitted as a mine" to support its argument that the BET Group did not intend to reopen the Mine.[44] Note that Brock's quotation is a statement of operational fact and has no bearing on intent. Again, CEA and SMW attempt to equate cessation of operations with subjective intent to abandon, when the listing itself displays no such intent. Note further that Brock was BET's realtor, not an owner, and therefore had no ability to create the intent necessary for abandonment. Even if, arguendo, CEA were somehow able to establish the BET Group's intent to abandon, which it cannot, the *Hansen Brothers* case requires "an overt act, or failure to act, which carries the implication the owner does not claim or retain any interest in the right to the nonconforming use" in addition to subjective intent. (*Hansen* at 269.) The text of the listing proves just the opposite, that the BET Group acted to preserve the assets that would assist in reopening the mine.

Mr. Brock has been an outspoken opponent of reopening the mine. He is a member of CEA, has submitted several opinion letters to *The Union* in opposition of the mine, and has presented for MineWatch Nevada County. Most recently, he signed a declaration asserting the BET Group did not consider reopening the Mine. This assertion is directly belied by his own prior actions, his

[42] Exhibit H.
[43] Exhibit I.
[44] The Union (Jun. 12, 2014) [attached hereto as Exhibit J].

own published real-estate listing, as well as multiple first-hand accounts.[45] Moreover, it is also rebutted by the indisputable fact that the BET Group was in active lease negotiations, permitting, and rock mining operations during the mid-to-late 1980's.[46] In 1989, the BET Group even recorded a Notice of Intent to Preserve its Interest in all mineral rights.[47] Mr. Brock's points are further contradicted by the fact that the BET Group expressly reserved mineral rights in its BET Acres subdivision, as discussed previously.

Thus, Mr. Brock's assertion that the BET Group did not "ever consider reopening or operating any mining activity" during his representation of them is categorically and provably false. His recent actions do not change the fact that he listed the property for sale as a mine, consistent with the BET Group's intent.

5. Conclusion: Board Should Approve Rise's Petition

In its letter to the Board, SMW is attempting to relitigate the *Hansen Brothers* case in which SMW represented Nevada County to propose the doctrines of automatic extinguishment of a vested right and ignoring owners' intent. The Supreme Court ruled against Nevada County and expressly rejected SMW's doctrines. They will be overruled again should litigation concerning Rise's Petition become necessary.

Because of its flawed legal positions, SMW engages in extraneous discussions of "the ultimate purpose of zoning," the Department of Toxic Substances Control's views on the Mine, and whether Rise's Petition "is undemocratic." (SMW Letter, pages 2, 10.) None of these discussions are relevant to the two legal issues that the Board must determine: 1) did the mining operations vest with the adoption of the County's ordinance requiring a permit to mine in 1954; and 2) was the mine abandoned using the California Supreme Court's two-part test.

Rise need only meet the low burden of preponderance of the evidence to show that the right to Mine vested in 1954, a point that CEA has already conceded in its Letter to the Board. In contrast, proving abandonment requires an opponent to prove ***both*** a *subjective intent* to knowingly abandon the Constitutional right, as well as an *objective overt act* implementing the intent to abandon—and it must prove it by clear and convincing evidence.

Proving abandonment is a hurdle CEA and SWM cannot manage in light of the Mine's history, including official County recognition of the vested right in 1980 (and again in 1985 and 1986), tens of millions of dollars invested in mine development, careful preservation of the mineral estate, and historical evidence from every owner showing intent to mine the property. Rise has met its burden, and the Board should find that a vested right exists and approve Rise's Petition.

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[45] See Exhibit 227; Declaration of Robert Pease [attached hereto as Exhibit K].
[46] Exhibits 66, 259-262.
[47] Exhibit 275.

Best regards,

MITCHELL CHADWICK LLP

G. Braiden Chadwick

Encl:

See list of Exhibits below.

Exhibit A – *The Sacramento Bee* (Dec. 10, 1957)

Exhibit B – Financial Statement, Emgold Mining Corporation (Oct. 3, 2002)

Exhibit C – Listing of the Idaho Maryland Gold Mine, MineListings.com [available at: https://web.archive.org/web/20150117000302/https:/minelistings.com/mines-for-sale/historic-idaho-maryland-gold-mine-for-sale/]

Exhibit D – Michael Silva, Special Publication 87 – Placer Gold Recovery Methods, Department of Conservation Division of Mines and Geology (1986)

Exhibit E – Richard Krebs and J.C. O'Donnell, Sand-Slime Stope Filling, Engineering and Mining Journal (1949)

Exhibit F – Jack Clark, Gold in Quartz (2005)

Exhibit G – Minutes of the Nevada County Planning Commission (1986)

Exhibit H – Letter from Ross Guenther to Nevada County Planning Commission (Nov. 3, 2003)

Exhibit I – Staff Report for Sierra Pacific Industries, Nevada County Planning Commission (2003)

Exhibit J – *The Union* (Jun. 12, 2014)

Exhibit K – Declaration of Robert Pease

EXHIBIT A

Knowland Will Offer Bill To Lift Price Of Gold

GRASS VALLEY, Nevada Co.—United States Senator William F. Knowland last night told 200 Nevada County Republicans and party leaders he is prepared to introduce a bill in the next session of congress under which the price of gold could be doubled or brought abreast the world market price.

The promise was welcome information in the Grass Valley area where the major gold mines were closed during the last year.

The Republican gubernatorial candidate also promised to protect the counties of origin in future water considerations.

Senator Knowland said Organized Labor can be strong without being harmful to the public good. He described a so-called labor bill of rights he is preparing which contains such provisions as secret ballot, recall by ballot, full membership voting and protection of welfare funds.

The speaker said he has been marked for political liquidation for his labor views but he plans to continue to attempt to correct labor matters which he considers contrary to public welfare.

EXHIBIT B

EMGOLD MINING CORPORATION

1400 – 570 Granville Street
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www.emgold.com

October 3, 2002

Ticker Symbol: **EMR**-TSX Venture
SEC 12g3-2(b): 82-3003

EMGOLD MINING CORPORATION – CLOSES $400,000 BROKERED PRIVATE PLACEMENT

Emgold Mining Corporation (EMR-TSX Venture) is pleased to announce the closing of a brokered private placement of 1,600,000 units at a price of $0.25 per unit, for gross proceeds of $400,000. Each Unit is comprised of one common share in the capital of Emgold and one non-transferable share purchase warrant. Each share purchase warrant will entitle the holder to purchase one additional common share of Emgold for a period of one year from closing, at an exercise price of $0.30.

In consideration of introducing the Company to subscribers, the Company paid the Agent, Canaccord Capital Corporation ("Canaccord") a cash commission of 9% and an administration fee. Canaccord has also received 20% non-transferable Agent's Warrants exercisable for a period of one year from closing at an exercise price of $0.30. Canaccord has been granted a right of first refusal to provide any brokered financing for a period of one year from the date of closing.

The private placement closed in two tranches: 800,000 units on September 20, 2002, and 800,000 units on September 27, 2002. All shares, warrants, Agent's Warrants and any shares issued upon exercise of the warrants or Agent's Warrants with respect to the September 20, 2002 closing are subject to a four month hold period expiring January 21, 2002 and may not be traded except as permitted by the *British Columbia Securities Act* and the Rules made thereunder and the TSX Venture Exchange. All shares, warrants, Agent's Warrants and any shares issued upon exercise of the warrants or Agent's Warrants with respect to the September 27, 2002 closing are subject to a four month hold period expiring January 28, 2002 and may not be traded except as permitted by the *British Columbia Securities Act* and the Rules made thereunder and the TSX Venture Exchange.

The Company received final acceptance for the financing from the TSX Venture Exchange on October 1, 2002.

The net proceeds from the private placement will be used for the further development of the Idaho-Maryland Gold Property in Grass Valley, California including mobilization of the project team; preparation of a Scoping Study; discharge of payables related to ongoing operating costs including administrative costs, property payments, legal, accounting and audit; general corporate purposes and for working capital. Emgold, through its subsidiary Emperor Gold will be opening an office in Grass Valley to facilitate the further development of the property and initiate the preparation of

applications to obtain all necessary permits to reopen the mine to operate at up to 1,200 tons per day.

Emgold has awarded the preparation of a Scoping Study to AMEC E&C Services Limited, a recognized world leader of specialized environmental, technical and construction services. The AMEC Mining and Metals Consulting group in Vancouver will provide the geological, mining, engineering and construction expertise with environmental assistance from AMEC's San Rafael, California office. The Scoping Study will consist of the preparation of a NI 43-101 Technical Report, a review of the status of existing permits, the determination of future permitting requirements, preparation of a development plan to conduct underground exploration and development programs, and establishing the necessary strategy to put the Idaho-Maryland Mine back into safe, profitable and timely production.

William J. Witte, P. Eng.
President and CEO

For further information please contact:
Investor Relations at LMC Management Services
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Toll Free: 1-888-267-1400 Email: Investor@langmining.com

No regulatory authority has approved or disapproved the information contained in this news release.

EMGOLD MINING CORPORATION

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December 20, 2002

Ticker Symbol: **EMR**-cdnx
SEC 12g3-2(b): 82-3003

EMGOLD MINING CORPORATION – CLOSES $587,500 BROKERED PRIVATE PLACEMENT

Emgold Mining Corporation (EMR-TSX Venture) is pleased to announce the closing of a brokered private placement of 2,350,000 units at a price of $0.25 per unit, for gross proceeds of $587,500 on December 20, 2002. Each Unit is comprised of one flow-through common share and one non-transferable common share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one additional common share of Emgold until December 20, 2003, at an exercise price of $0.30.

Canaccord Capital Corporation received a cash commission of 8% and a non-transferable Broker Warrant exercisable to purchase 470,000 common shares of Emgold until December 20, 2003, at an exercise price of $0.30 per share.

The shares, share purchase warrants, Broker Warrant and any shares issued upon exercise of the share purchase warrants or Broker Warrant with respect to this private placement are subject to a four month hold period expiring April 21, 2003, and may not be traded except as permitted by the *British Columbia Securities Act* and the Rules made thereunder and the TSX Venture Exchange.

Proceeds from the private placement will be used for the further development of the Idaho-Maryland Gold Property in Grass Valley, California including property payments, administrative, legal, accounting and audit costs as well as for general corporate purposes and working capital. Emgold with AMEC E&C Services Ltd. are currently completing a scoping study to define a development plan including surface drilling and underground exploration and development programs for the Idaho-Maryland. Emgold is currently preparing applications for drilling permits to complete a 15,000 to 20,000 foot diamond drill program to test near surface exploration targets in the Eureka and Upper Idaho areas of the Idaho-Maryland.

William J. Witte, P. Eng.
President and CEO

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EMGOLD MINING CORPORATION

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January 22, 2003

Ticker Symbol: **EMR**-TSX Venture
SEC 12g3-2(b): 82-3003

EMGOLD INCREASES FINANCING

Emgold Mining Corporation (EMR-TSX Venture**)** is pleased to announce that the brokered private placement with Canaccord Capital Corporation, previously announced on January 14, 2003, has been increased from 2,222,222 units to 2,555,555 units at a price of $0.45 per unit, for gross proceeds of up to $1,150,000. One additional placee is participating in the financing. All other terms and conditions of the previously announced brokered private placement remain the same.

Proceeds from the private placement will be used for the further development of the Idaho-Maryland Gold Property in Grass Valley, California. These activities will include initiation of a 15,000 to 20,000 foot surface diamond drilling program to test near-surface high-grade exploration targets with associated permitting, administrative, legal, accounting and audit costs as well as for general corporate purposes and working capital. Based on the recommendations from the recent Technical Report prepared by AMEC E&C Services Ltd. Emgold will continue to work on geological interpretations in areas where historic information is available but have yet to be reviewed by the project team.

This financing is expected to close promptly upon receipt of regulatory approval.

William J. Witte, P. Eng.
President and CEO

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No regulatory authority has approved or disapproved the information contained in this news release.

December 23, 2003

Ticker Symbol: **EMR**-TSX Venture Exchange
SEC 12g3-2(b): 82-3003

EMGOLD – CLOSES $7.5 MILLION BROKERED PRIVATE PLACEMENT

Emgold Mining Corporation (EMR-TSX Venture) ("Emgold") is pleased to announce that it has closed its brokered private placement of **10,060,000** units (the "Units") at a price of $0.75 per Unit, for gross proceeds of $**7,545,000**. Each Unit is comprised of one common share in the capital of Emgold and one-half of one non-transferable share purchase warrant. One whole share purchase warrant entitles the holder to purchase one additional common share of Emgold for a period of two years from closing of the private placement, at an exercise price of $1.00 per common share. Canaccord Capital Corporation ("Canaccord") and a Selling Agent shared in a combination cash commission and finder's fee equal to 7.5% of the gross proceeds raised from the private placement, and non-transferable Agent's Warrants exercisable for a period of two years from closing at an exercise price of $1.00. Canaccord also received a cash administration fee and a corporate finance fee of 150,000 shares of Emgold.

All shares, warrants and any shares issued upon exercise of the warrants with respect to the private placement and agent's compensation are subject to a hold period and are restricted from trading for a four month period expiring April 23, 2004.

Additionally, during 2003 there has been an exercise of warrants from previous financings for an aggregate 2,820,000 common shares raising proceeds of $846,000.

Proceeds from the private placement will be used for the further exploration and development of the Idaho-Maryland Gold Property in Grass Valley, California. The funds will be used for completion of the current 15,000 to 20,000 foot surface drill program, preparation of a preliminary assessment report, application for a Mine Use Permit, property payments, administrative, legal, accounting and audit costs as well as for general corporate purposes and working capital. The proceeds will also be used for construction and operation of the Ceramext™ pilot and demonstration plant including preparation of feasibility and marketing studies for high quality ceramic products from the Idaho-Maryland tailings. Emgold, through its wholly owned subsidiary, Idaho-Maryland Mining Corporation continues to prepare an application for a Mine Use Permit to include, but not necessarily limited to, dewatering the existing Idaho-Maryland Mine workings and construction of a decline, which will enable the testing of underground exploration targets that are not accessible by surface exploration. The Mine Use Permit application will include provisions for Emgold to operate a staged mining operation up to 2,400 tons per day should a positive feasibility study be completed and a production decision be made.

For more information about Emgold Mining Corporation and its projects please visit the following websites, http://www.sedar.com/ and Emgold's website http://www.emgold.com/.

William J. Witte, P. Eng
President and CEO

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statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. For more information on Emgold, Investors should review Emgold's filings that are available at www.sedar.com.

EMGOLD MINING CORPORATION

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June 13, 2005

TSX Venture Exchange Symbol: **EMR**
SEC 12g3-2(b): 82-3003

EMGOLD COMPLETES SECOND AND FINAL CLOSING ON ITS CDN$9.18 MILLION NON-BROKERED PRIVATE PLACEMENT

Emgold Mining Corporation (**EMR**-TSX-V) ("Emgold") is pleased to announce that on June 10, 2005, it received final acceptance from the TSX Venture Exchange to close on and issue 14,880,000 Units at CDN$0.50 per Unit, pursuant to the non-brokered private placement financing, previously announced on March 31, 2005. Each Unit is comprised of one common share in the capital of Emgold and one non-transferable share purchase warrant.

On May 3, 2005, Emgold received conditional acceptance from the TSX Venture Exchange to close on and issue 3,480,000 Units of the total 18,360,000 Units subscribed for purchase pursuant to the above noted private placement. In conjunction with the May 3, 2005, first closing Emgold has now issued a total of 18,360,000 Units for gross proceeds of CDN$9,180,000.

Each share purchase warrant issued on May 3, 2005, entitles the holder to purchase one additional common share of the Company at an exercise price of CDN$0.70 per share up to and including May 3, 2007. Each share purchase warrant issued on June 10, 2005, entitles the holder to purchase one additional common share of the Company at an exercise price of CDN$0.70 per share up to and including June 10, 2007.

14,880,000 of the total Units subscribed for were purchased by Galaxy Fund, Inc. ("Galaxy"), a well-established mutual fund based in Road Town, British Virgin Islands. Emgold welcomes its participation in the private placement as a significant vote of confidence in its Idaho-Maryland Project and the business plan associated with its development. On issuance of the shares subscribed for, Galaxy now holds approximately 23% of the issued and outstanding voting shares of Emgold, and if all of the warrants included in the private placement are exercised, this percentage could increase to approximately 36%. Under the rules and policies of the TSX Venture Exchange, this shareholding constitutes Galaxy a "control person" of Emgold, and accordingly Emgold sought and received shareholder approval of the private placement to Galaxy at its annual and special general shareholders meeting held on June 8, 2005.

All shares, warrants and any shares issued upon exercise of the warrants with respect to the above May 3, 2005, and June 10, 2005, closing are subject to a hold period and may not be traded for a four month period expiring September 4, 2005 and October 11, 2005, respectively.

In consideration for introducing Emgold to purchasers for the non-brokered financing, Emgold issued cash finder's fees equal to 4% of the total gross proceeds received to UCA Ventures Ltd.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer of securities for sale in the United States or Canada or the solicitation of an offer to buy securities in the United States or Canada, nor shall there be any sale of the securities in any jurisdiction or state in which such offer, solicitation or sale would be unlawful.

Proceeds from the Offering will be used to fund further exploration and development of the Company's Idaho-Maryland Project in Grass Valley, California, on-going development and commercialization of the Ceramext™ process and for general administrative purposes. Expenses for the Idaho-Maryland Project include the activities associated with the application for a Conditional Use Permit, on-going geologic investigations and exploration, property acquisitions, mine planning and community relations activities. The further development of the Ceramext™ process includes research and development, operation and expansion of the pilot plant, design of a demonstration plant, marketing studies, feasibility and protection of intellectual property. Additional testing of the Ceramext™ process is being conducted on other feed materials for a wide range of new applications.

For more information about Emgold, the Stewart, Rozan and Jazz Properties in British Columbia, the Idaho-Maryland Project and the Ceramext™ Process, please visit www.emgold.com or www.sedar.com.

William J. Witte, P.Eng.
President and Chief Executive Officer

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No regulatory authority has approved or disapproved the information contained in this news release.

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com.

EMGOLD MINING CORPORATION

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September 20, 2006

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD COMPLETES NON-BROKERED FINANCING

Emgold Mining Corporation (EMR-TSX-V) ("Emgold") is pleased to announce that it has completed a non-brokered private placement of 1,426,202 units (the "Units) at a price of $0.60 per Unit for aggregate gross proceeds of $855,721 (the "Offering"). Each Unit is comprised of one common share in the capital of Emgold and one-half of one non-transferable share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one additional common share of Emgold at an exercise price of $1.00 per share until September 15, 2008.

Bolder Investment Partners Ltd., John H. Mesrobian Esq., CIBC World Markets Inc. and Loeb Aron & Company Ltd. received, in aggregate, finder's fees totalling $44,316, being 6% of gross proceeds on $738,601 (exclusive of insider subscriptions). All shares, warrants and any shares issued upon exercise of the warrants with respect to the Offering are subject to a hold period expiring January 16, 2007.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release is not an offer of securities for sale in the United States or Canada. These securities may not be offered or sold in the United States or Canada absent registration or qualification or an exemption from registration or qualification. Any public offering of securities to be made in the United States and Canada will be made by means of a prospectus that may be obtained from Emgold and that will contain detailed information about Emgold and management, as well as financial statements.

Proceeds from the Offering will be used to fund further exploration, permitting and development of Emgold's Idaho-Maryland project in Grass Valley, California, on-going development and commercialization of the Ceramext™ process, exploration of Emgold's properties in British Columbia and for general working capital.

For more information about Emgold, the Stewart, Rozan and Jazz Properties in British Columbia, the Idaho-Maryland Project in California and the Ceramext™ Process, please visit www.emgold.com or www.sedar.com.

On Behalf of the Board of Directors,

William J. (Bill) Witte, P.Eng.
President and Chief Executive Officer

For further information please contact: **Michael O'Connor,** Manager, Investor Relations
Tel: (604) 687-4622 Fax: (604) 687-4212 Toll Free 1-888-267-1400
Email: info@emgold.com

EMGOLD MINING CORPORATION

Suite 1400 – 570 Granville Street
Vancouver, B.C. V6C 3P1
www.emgold.com

NOT FOR DISTRIBUTION TO U.S. WIRE SERVICES OR DISSEMINATION IN THE U.S.

December 8, 2006

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD CLOSES PRIVATE PLACEMENT

Emgold Mining Corporation (**EMR** - TSX Venture) (the "Company" or "Emgold") announces that it has now closed its previously announced private placement financing. Emgold reduced the size of the previously announced financing following the decision to reorganize the Company into two separate entities. The total net funds raised is $3.87 million, including $3.02 million non-flow-through and $850,000 in flow-through.

The Company issued 13,024,105 units comprising one common share and one share purchase warrant exercisable for 24 months to acquire an additional share at $0.40 and 2,238,000 units comprising one flow-through common share and one-half of one non-flow-through share purchase warrants exercisable for 24 months to acquire one additional share at $0.50.

The Company issued an aggregate of 1,247,368 compensation options and paid an aggregate of approximately $345,000 in fees to the agent and certain finders in connection with the transaction.

All securities issued or issuable in connection with the Offering will be subject to a hold period and may not be traded for four months plus one day from the date of closing.

The non-flow-through proceeds of the Offering will be used to advance permitting on the Company's Idaho-Maryland gold project and for working capital. The flow-through proceeds will be used to advance the Company's exploration properties located in British Columbia.

On behalf of the Board of Directors,

William J. (Bill) Witte, P.Eng.
President and Chief Executive Officer

For further information please contact:
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No regulatory authority has approved or disapproved the information contained in this news release.

NOT FOR DISTRIBUTION IN THE U.S.

EMGOLD MINING CORPORATION

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October 22, 2007

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD COMPLETES $8 MILLION PRIVATE PLACEMENT FINANCING

Emgold Mining Corporation (**EMR** - TSX Venture) (the "Company" or "Emgold") is pleased to announce it has completed its previously announced non-brokered private placement offering (the "Offering"), which was fully subscribed and raised gross proceeds of $8,000,326. A total of 72,730,236 units (the "Units") were issued at a price of $0.11 per Unit. Closing of the final tranche of the Offering occurred on Friday, October 12, 2007.

Sargent Berner and Kenneth Yurichuk, co-executive chairmen of Emgold, commented:

> "We very much appreciate the support provided not only by our previous shareholders, but also by investors new to Emgold through this financing. Emgold now has in hand all of the funding that should be required to complete the permitting process for the Company's Idaho-Maryland Gold Mine in Grass Valley, California. Emgold remains committed as its first priority in the coming year to obtaining all of the permits necessary to re-open and operate the Idaho-Maryland and is presently anticipating that the Environmental Impact Report will be completed by July 2008 and the Conditional Mine Use Permit will follow within 60 days. The present financing should also allow us to deal with unanticipated delays in the process, should they occur. We are confident that obtaining the conditional mine use permit ultimately will allow Emgold and our shareholders to realize the value of the known gold resource present at Idaho-Maryland."

Each Unit in the Offering was comprised of one fully paid and non-assessable common share of the Company (a "Common Share") and one transferable common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to subscribe for one additional previously unissued common share (a "Warrant Share") in the capital of the Company for a period of 24 months following the date of issue at an exercise price of $0.15 per Warrant Share.

Emgold paid finder's fees to eligible finders (the "Finders") in the form of cash in the sum of $547,998, equal to 8% of the proceeds raised by such Finders, and 4,981,803 non-transferable options (the "Finder's Options"), equal to 8% of number of Units sold by such Finders. Each of the Finder's Options is exercisable to acquire a Unit of the Company (the "Finder's Units") at a price of $0.11 per Finder's Unit for a period of 18 months from the date of issuance, subject to adjustment. Each Finder's Unit will be comprised of one common share of the Company and one non-transferable common share purchase warrant of the Company exercisable to acquire one additional common share

of the Company for a period of 24 months from the date of issuance of the Finder's Option at a price of $0.15.

This Offering closed in four tranches. All securities issued or issuable in connection with the Offering will be subject to a hold period and may not be traded for four months plus one day from the date of each closing, being January 28, 2008, February 6, 2008 and February 13, 2008, as applicable.

The directors and certain of the officers of the Company subscribed to the Offering. Due to this relationship, the portion of the Offering subscribed for by the directors and officers is considered to be a "related party transaction" as defined under TSX Venture Exchange Policy 5.9 – Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions ("Policy 5.9") and Ontario Securities Commission Rule 61-501 (the "OSC Rule"). However, the Offering is exempt from the valuation requirements of Policy 5.9 and the OSC Rule for related party transactions as its securities are solely listed on the TSX Venture Exchange. The Offering is exempt from the minority approval requirements of Policy 5.9 and the OSC Rule for related party transactions as on the basis that the fair market value of the Units of the Company issued to the directors and officers represents less than 25% of the Company's current market capitalization.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

The proceeds of the Offering will be used to cover remaining costs associated with the Company's permitting application for the Idaho-Maryland Gold Mine and for working capital.

For more information about Emgold, the Idaho-Maryland Project in Grass Valley, California and the Stewart, Rozan and Jazz Properties in British Columbia, please visit www.emgold.com or www.sedar.com.

On behalf of the Board of Directors,

Sargent H. Berner
Co-Executive Chairman

For further information please contact:
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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.
No regulatory authority has approved or disapproved the information contained in this news release.

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com.

EMGOLD MINING CORPORATION

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www.emgold.com

March 12, 2009

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

March 12, 2009, **Vancouver, BC - Emgold Mining Corporation** (**EMR** - TSX Venture) (the "Company" or "Emgold") is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement offering (the "Offering") raising gross proceeds of US$200,600 through the sale of 5,015,000 units (the "Units") of the Company at a price of US$0.04 per Unit.

Each Unit is comprised of one fully paid and non-assessable common share of the Company and one non-transferable common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to subscribe for one additional previously unissued common share (a "Warrant Share") in the capital of the Company at a price of **US$0.12** per Warrant Share up to and including **March 5, 2010**, and thereafter at a price of **US$0.16** per Warrant Share up to and including **March 5, 2011**. All securities issued or issuable in connection with the fist tranche close of the Offering are subject to a hold period and may not be traded before July 6, 2009.

Subject to TSX Venture Exchange approval, Emgold will pay finder's fees on subscriptions received pursuant to the first tranche close of the Offering in the amount of US$9,500.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

The proceeds of the Offering will be used to cover ongoing costs associated with the Company's permitting application for the Idaho-Maryland Mine and for general working capital.

On behalf of the Board of Directors

Sargent H. Berner
Co-Executive Chairman & CEO

For further information please contact:

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EMGOLD MINING CORPORATION

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October 29, 2009

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD CLOSES INTERIM FINANCING

Emgold Mining Corporation (**EMR** - TSX Venture) (the "Company" or "Emgold") is pleased to announce the successful closure of a non-brokered "friends and family" bridge financing private placement of 3,500,000 Units at the price of USD$0.05 per Unit, each Unit consisting of one common share of the Company and one non-transferable share purchase warrant (the "Warrant"). Gross proceeds from the financing will be USD$175,000.

Each Warrant entitles the holder to purchase, for a period of 24 months, one additional common share of the Company at a price of US$0.10 per share for the first year and at a price of US$0.15 per share for the second year. A finder's fee equal to 10% of the subscription proceeds will be paid for services rendered in introducing certain subscribers to the offering. The shares and warrants issued in connection with this non-brokered private placement will be subject to a minimum hold period of four months. The proceeds from the sale of the Units will be used as general working capital in accordance with the Company's strategic plan.

On behalf of the Board of Directors,

David G. Watkinson, P.Eng.
President and Chief Operating Officer

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EMGOLD MINING CORPORATION

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July 16, 2010

TSX Venture Exchange: **EMR**
US OTC: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD REPORTS SUCCESSFUL REMEDIATION ACTIVITIES ON IDAHO-MARYLAND PROPERTY, CLOSES FINANCING

Emgold Mining Corporation (the "Company" or "Emgold") is pleased to announce that it has successfully completed the site investigation and remediation action for removal and clean up of underground diesel and gasoline fuel tanks that were associated with operation of the historic Lausman Lumber Mill, formerly located on the Idaho-Maryland Property. Idaho-Maryland Mining Corporation ("IMMC"), the 100% subsidiary of Emgold, received notification from the California Regional Water Quality Control Board, Central Valley Region, that no further action is required with the State. Emgold's President and CEO, David Watkinson, stated, "We have been working on the investigation and clean up of the site since 2004. Work has included soil sampling, installation and monitoring of ground water wells, contaminated soil removal, and backfilling of the tank excavation. We are pleased that no further action is required with the State, and the clean up illustrates the Company's commitment to the environment. It shows how a mining company's reopening a historic mine is one of the best ways to clean up legacy mining issues at no cost to taxpayers."

Emgold has closed its previously announced non-brokered private placement of March 4, 2010, A total of 3,000,000 Units were issued at a price of US$0.25 per Unit to raise US$750,000, Each Unit consists of one common share of the Company and one non-transferable share purchase warrant (the "Warrant"). Each Warrant entitles the holder to purchase, for a period of 24 months, one additional common share of the Company at a price of US$0.35. The shares and warrants issued in connection with this non-brokered private placement are subject to a minimum hold period of four months. Finder's Fees of $48,000 and 192,000 Finder's Warrants were awarded in relation to the financing. Each Finder's Warrant entitles the holder to purchase, for a period of 24 months, one common share of the Company at a price of US$0.25. The Finder's Warrants are subject to a minimum hold period of four months.

In addition, a major update of its corporate website has also been completed. For more information about Emgold, the Idaho-Maryland Gold Project and the Buckskin Rawhide and Stewart Properties, please visit www.emgold.com.

This release is not an offer of securities for sales in the United States. Securities may not be offered or sold in the United States absent registration or exemption from registration.

On behalf of the Board of Directors
David G. Watkinson
President & CEO

For further information please contact:
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Email: info@emgold.com

This release was prepared by the Company's management. Neither TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com.

EMGOLD MINING CORPORATION

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September 24, 2010

TSX Venture Exchange: **EMR**
OTC Bulletin Board: **EGMCF**
U.S. 20-F Registration: **000-51411**
Frankfurt Stock Exchange: **EML**

EMGOLD CLOSES FIRST TRANCHE OF EQUITY FINANCING AND INCREASES TOTAL FINANCING AMOUNT TO US $1,250,000

Emgold Mining Corporation (the "Company" or "Emgold") is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement. A total of 5,203,856 units ("Units") were issued at the price of US$0.14 per Unit to raise US$728,540. Each Unit consists of one common share ("Share") of the Company and one non-transferable share purchase warrant (the "Warrant"). Each Warrant entitles the holder to purchase, for a period of 24 months, one additional Share of the Company at a price of US$0.35.

Finder's fees of $15,680 and 112,000 finder's warrants ("Finder's Warrants") were awarded in relation to the first tranche of the financing. The Finder's Warrants have the same terms as the Warrants included in the Units sold to purchasers. The Shares, Warrants. and Finder's Warrants issued in connection with this non-brokered private placement are subject to a minimum hold period of four months.

Emgold also announces that it has elected, subject to TSX Venture Exchange approval, to increase the amount of its previously announced non-brokered private placement financing from US$750,000 to US$1,250,000 due to increased interest in the Company and its projects. If fully subscribed, a total of 8,928,571 Units will be issued. Finder's fees of up to 8% of the subscription proceeds may be paid for services rendered in introducing certain subscribers to the offering. The Shares, Warrants, and Finder's Warrants issued in connection with this non-brokered private placement will be subject to a minimum hold period of four months.

Emgold is currently in the advanced stage of permitting the Idaho-Maryland Project, located in Grass Valley, CA. The Idaho-Maryland Mine was the second largest underground gold mine in California, producing 2.4 million ounces of gold at an average recovered grade of 0.43 ounce per ton. It is adjacent to the Empire Mine, Newmont Mining Corporation's first operating gold mine and historically California's largest underground gold mine, which is reported to have produced 5.8 million ounces of gold. Newmont retains the mineral rights to the Empire Mine. The Grass Valley Mining District produced over 17 million ounces of gold from 1850 to 1956. Both the Idaho-Maryland Mine and Empire Mine shut down in 1956 due to the fixed price of gold at US$35 per ounce and rising labor and supply costs after WWII. The Idaho-Maryland Project contains a NI 43-101 compliant measured and indicated resource of 472,000 ounces of gold at a grade of 0.28 ounces per ton and an inferred resource of 1,002,000 ounces of gold at a grade of 0.39 ounce per ton, estimated as at March 1, 2007 (See Emgold's NI 43-101 compliant Technical Report titled "Idaho-Maryland Mine Project" dated December 8, 2009, filed under the Company's profile at www.sedar.com)

Information in this news release that is of a scientific or technical nature was prepared by Mr. Robert Pease, Professional Geologist (California), Chief Geologist and a Qualified Person as defined in National Instrument 43-101.

For more information about Emgold, the Idaho-Maryland Gold Project and the Buckskin Rawhide, Stewart, and Rozan Properties, please visit www.emgold.com.

This release is not an offer of securities for sales in the United States. Securities may not be offered or sold in the United States absent registration or exemption from registration.

On behalf of the Board of Directors

David G. Watkinson
President & COO

For further information please contact:

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Email: info@emgold.com

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address mineral resource estimates, future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements and are based on a number of assumptions, including but not limited to the assumptions underlying the estimated resources outlined in the Technical Report are and remain valid, that the demand for and price of gold remains constant or increases and does not experience a material decline, and that the Company will be able to raise the capital required to hold and develop the Idaho-Maryland Project. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include changes the price of gold, the price of the company's shares, the costs of labour, equipment and other costs associated with exploration, development and mining operations, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com.

EXHIBIT C

Historic California Gold Mine For Sale

Idaho Maryland Gold Mine

Project Details

Commodity: Gold
Location: California, USA
Terms: For Sale
Price: $2.75 Million

Summary:

- 145 +/- Acres which includes the site of the historic, underground Idaho Maryland Gold Mine. The land is configured in 18 Assessor parcels.
- 109 +/- Acres of the offering are contiguous with the City limits of Grass Valley.
- 2750+/- Acres of mineral rights mostly contiguous below 200' of surface.
- An extensive collection of core samples from the Idaho Maryland Mine is included.

Location and Access:
Located approximately 60 miles north east of Sacramento, California, USA, in the heart of California's Gold Country. Located at the edge of Grass Valley and a mile from CA State Highway 49, the parcels are accessed from Idaho-Maryland Rd, Centennial Dr, Brunswick Rd, and E. Bennett St

Description:
Define the future or reclaim the past on these 145 acres configured in 18 Assessor parcels located in California's Gold Country. Approximately 109 acres of the offering are contiguous within Grass Valley City Limits and adjacent to industrial, business park and residential uses. Close to State Highway 49, bounded by city streets or major thoroughfares, the parcels have varying topography, meadows, gorgeous tree cover, outstanding southern exposure and Wolf Creek running through. This land is home to the historic, highly productive Idaho Maryland Gold Mine. The listing includes approximately 2750 acres of mineral rights plus an extensive collection of Idaho Maryland core samples . Previous efforts to re-open the mine produced a 43-101 Technical Reports evidencing strong gold reserves, a Draft EIR (2008), a Phase 1 Environmental (2007) and Assays, all available upon request.

Geology:
The Idaho-Maryland project is a structurally controlled, mesothermal gold deposit situated in the northern portion of the Sierra Nevada Foothills Gold Belt. This belt averages 50 miles in width and extends for 320 miles in a north-northwest orientation along the western slope of the Sierra Nevada range.

The rock units underlying the Idaho-Maryland mine property include early Jurassic meta-sediments of the Fiddle Creek Complex; early Jurassic meta-volcanics and interflow sediments of the Lake Combie Complex; middle Jurassic ophiolitic
assemblage of the Spring Hill Tectonic Mélange; later Jurassic Tectonic Mélange of the Weimar Fault Zone; and late Jurassic dioritic intrusives. The most important of these units for gold exploration is the Spring Hill Tectonic mélange.

The varying styles of mineralization present at the Idaho-Maryland Project are typical of those commonly found in mesothermal lode gold deposits worldwide. At least four basic types of mineralization have been recognized to contain significant gold deposits. In order of importance, these include (1) gold-quartz veins, (2) mineralized black slate bodies, (3) mineralized diabasic slabs, and (4) altered, mineralized ultramafic schists. The veins consist primarily of quartz, which is milky white, massive to banded, sheared, and brecciated. Gold occurs as native gold, ranging from very fine grains within the quartz to leaves or sheets along fractures.

History:
The Idaho-Maryland Mine property is located in Grass Valley; California, in the historic "Northern Mines District" which is one of the most famous and productive mining districts in California. The principal mines in the area include the Empire, Idaho-Maryland, North Star, Pennsylvania and W.Y.O.D. mines.

The original claim on the Idaho-Maryland Mine Property was staked in 1851 and high-grade gold mineralization was discovered in 1863. The Idaho Maryland Mine operated from 1862 until it shut down in 1956 because of the fixed price of gold at $35. USD per ounce and rising labor and supply costs. During its operation, the Idaho-Maryland Mine Property yielded 2.38 million ounces (74 million grams) of gold from 5,546,000 short tons or a recovered grade of 0.43 ounces of gold per short ton. The Idaho Maryland Mine was mined to a depth of 3,280-foot (1,000m) level. The Idaho Maryland Mine is reputed to be the second largest and second most productive underground gold mine in California history, a runner-up to the adjacent Empire Mine.

From 2002 to 2012, Idaho Maryland Mining Corporation, a subsidiary of Emgold Mining Corp., under agreement with the mine owners, conducted studies, investigations, sampling, testing, etc. at the Idaho Maryland Mine and applied to California and local regulating agencies for permission to reopen the mine. These efforts produced a Draft Environmental Impact Report, Phase 1 Environmental Report, Technical Reports, Assays and numerous other studies and data. About two thirds of the way through the regulatory process, Emgold, citing equity market conditions and funding difficulties, withdrew its application to re-open the Idaho Maryland Mine.

Additional Information:
Additional information and reports available upon request. Listed for sale with Charles Brock, CA BRE Lic # 00328328, Coldwell Banker Grass Roots Realty, Grass Valley, CA 95945. Information deemed reliable but not guaranteed, all representations are approximate, and individual verification is recommended.

Photos:

Idaho Maryland Gold Mine For Sale 3

Idaho Maryland Gold Mine For Sale 5

For More Information Please Use The Form Below:

Name *

Email Address *

Phone Number

Message *

Accept Terms of Service?

All information is provided by the Seller and is NOT verified by MineListings.com. By submitting your request for information, you agree that it is your sole responsibility to verify the accuracy of all claims and perform your own due diligence to your own satisfaction. MineListings.com will not be responsible for damages financial or otherwise to you and/or associates resulting from information listed on this site. You hereby agree to hold harmless, defend, and indemnify MineListings.com from any and all liability, damages, and/or claims resulting from your use and/or receipt of information from this site. For more information please see our Terms of Use *

I agree to the Terms of Use

Please verify you're human by typing what you see/hear below:

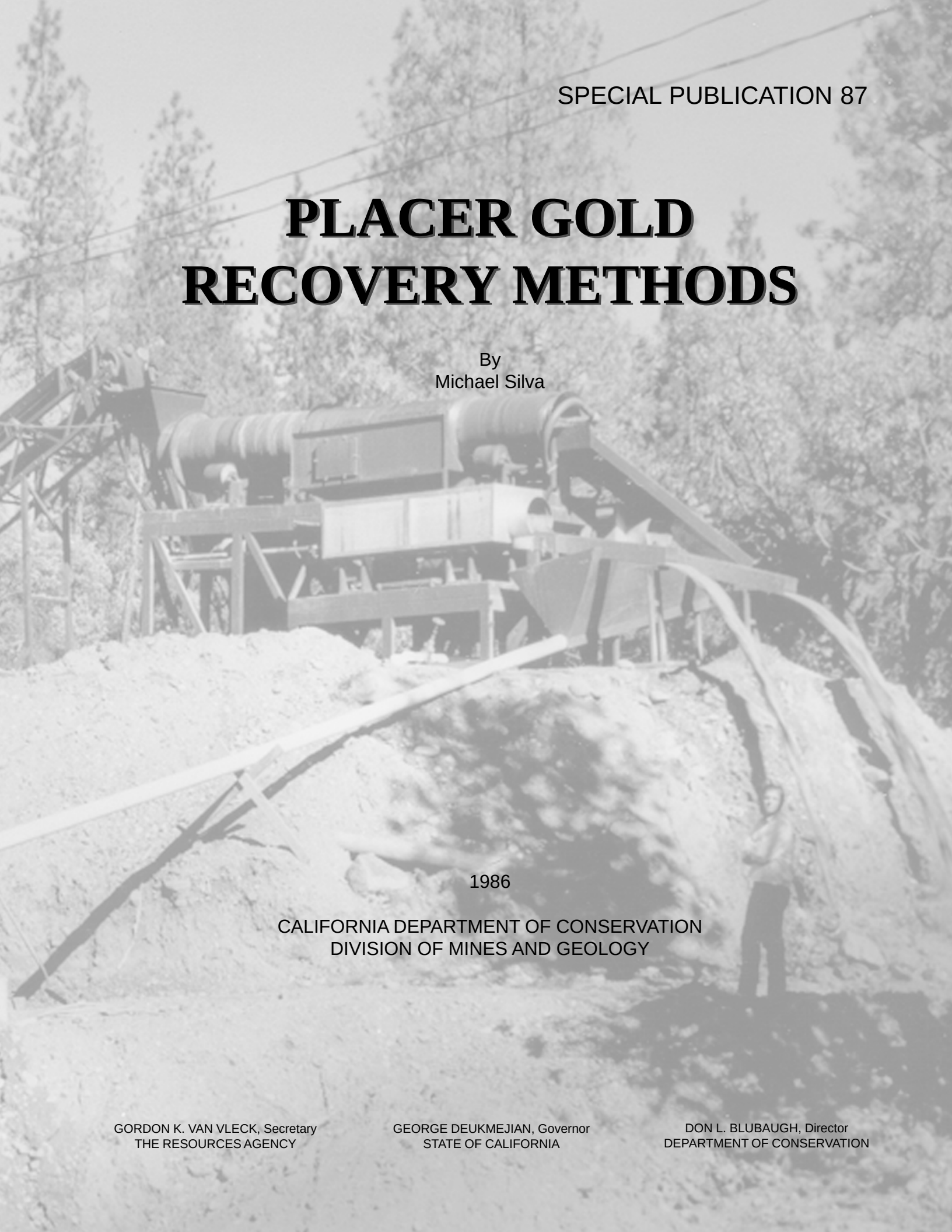
Type the text

Privacy & Terms

Submit

n

EXHIBIT D



SPECIAL PUBLICATION 87

PLACER GOLD RECOVERY METHODS

By
Michael Silva

1986

CALIFORNIA DEPARTMENT OF CONSERVATION
DIVISION OF MINES AND GEOLOGY

GORDON K. VAN VLECK, Secretary
THE RESOURCES AGENCY

GEORGE DEUKMEJIAN, Governor
STATE OF CALIFORNIA

DON L. BLUBAUGH, Director
DEPARTMENT OF CONSERVATION

DIVISION OF MINES AND GEOLOGY
JAMES F. DAVIS
STATE GEOLOGIST

SPECIAL PUBLICATION 87

PLACER GOLD RECOVERY METHODS

By
Michael Silva

1986

CALIFORNIA DEPARTMENT OF CONSERVATION
DIVISION OF MINES AND GEOLOGY
801 K Street
Sacramento, California 95814

feet of previously undredged material. The ore material is composed of unconsolidated Quaternary sediments deposited by the Yuba River.

The figures quoted in this section reflect current (mid- 1984) operating averages. Currently, 120,000 to 130,000 cubic yards of material are processed every 15 days. From this raw feed, approximately 700 ounces of gold are recovered. The average ore grade is 170 milligrams (about 5.4 thousandths of an ounce) of gold per cubic yard. The size distribution of recovered gold is not typical of most deposits. Less than 10% of the gold recovered is between 100 and 200 mesh (150 to 74 microns); 40% of the gold recovered is +65 mesh (greater than 212 microns); less than 1% is + 1O mesh (larger than 1.7 mm). Surprisingly, 23% is -200 mesh (less than 75 microns) and 9% of the total gold recovered is less than -400 mesh (38 microns). According to the company, approximately 94% of the gold entering as feed is recovered.

Photo 12. A view of the dredge operated by Yuba-Placer Gold Company. The hull is 223 feet long and the total length is 453 feet.

Recovery system. Most literature states that jigs are effective at recovering gold down to a minimum of 200 mesh (75 microns). The recovery system used on the dredge relies solely on jigs for primary recovery. This serves to illustrate how carefully designed recovery systems may overcome the limitations of the system's individual components.

The gold recovery circuit reflects the limited floor space available on the dredge. A full set of processing equipment is located on each side of the deck and dredged material is split and fed evenly to both sides. Usually both sets of equipment operate at the same time, but if one set shuts down for repair or maintenance, the other can operate independently.

Placer material from the dredge is fed to the trommel where the gravel is washed and broken up. Minus 1/2-inch material passes through the trommel screen into a sump. Trommel oversize is discharged at the rear of the dredge. Material from the sump is split and each split is pumped up to a primary recovery circuit on each side of the deck, The feed for each recovery circuit is split into 12 parts. Each recovery circuit has six 4-cell, 42-inch Pan American and Yuba rougher jigs, and each jig receives two splits. The jigs currently process 7 to 8 tons per hour, which is well below normal feed rates of 12 to 14 tons per hour. The jig screens have 1/8-inch by 5/8-inch slots. Ragging consists of 1/4-inch steel shot. Rougher concentrates are collected in a sump, split, then pumped into a 42-inch, 4-cell Yuba cleaner jig. Concentrates from the cleaner jigs are collected and pumped into the gold room circuit. Each of the two recovery circuits on the dredge consists of six rougher jigs and one cleaner jig.

The gold room is located on the second deck of the dredge. Mercury is used extensively in the gold room circuit. Cleaned concentrates are dewatered and then pumped into a jackpot, which is a large container partially filled with mercury. One third of all the gold recovered is collected from the jackpot. Jackpot overflow is fed to a mercury table. The mercury table is a long, flat surface, approximately 2 feet wide by 5 feet long, with three distinct divisions. The short upper part is made up of alternating, mercury-filled riffles. The middle part is simply a sheet of metal coated with a thin film of mercury. At the bottom there is a single mercury-filled slot referred to as the lower trap. Tailings from the table are dewatered and fed into a amalgamating mill (also known as an amalgamating barrel), a small metal cylinder filled with grinding balls with a small amount of mercury added. Amalgam is recovered from the jackpot, the mercury table, and the amalgamating mill (Photo 13).

Tailings from the amalgamating mill are run through a mercury trap and then fed to a 12-inch Pan American pulsator jig. The concentrates from the jig and the amalgam from the gold room are processed in the retort room. Tailings from the pulsator jig are collected in a sump and pumped to the scavenger circuit located at the end of the deck.

The scavenger circuit collects only 1/2% of the gold recovered, but more importantly it serves as a final collection point for mercury before Wings discharge. Tailings are delivered to a 42-inch Yuba jig. Concentrates from the jig are fed through a

Photo 13. Amalgam weighing in the gold room on the dredge.

mercury trap and then through a 24-inch Yuba jig. These concentrates are again treated in a mercury trap and then fed to an 18-inch Pan American pulsator jig. Before final discharge, jig tailings flow over a coconut mat to recover remaining fine gold. Concentrates from the pulsator jig are delivered to the retort room.

The retort room is the only processing area that is not located on the dredge. Selected jig concentrates are amalgamated in a grinding amalgamator, or fed over a mercury plate before retorting. All amalgam collected in the gold room circuit is processed in the retort. Retorting is merely heating the amalgam to a high temperature to vaporize the mercury. This is done in a closed system to reclaim the mercury for reuse (Photo 14). The resulting sponge gold is melted and poured into bars to be sent to a refinery for final processing.

Photo 14. This retort is used to separate gold from the amalgam collected on the dredge.

Summary. The gold recovery circuit on the Hammonton dredge is large and complex. Jigs are the primary concentrators and mercury is used in secondary processing. The impressive recovery of very fine gold is due to a carefully designed and implemented system and the presence of relatively clean gold, which is amenable to amalgamation. Although this system is expensive and complex, there are aspects of its efficient operation that may be applied to other recovery efforts.

Perhaps most importantly, the equipment on the dredge is carefully maintained and adjusted, ensuring optimum performance. Where clean gold is present, the careful use of mercury may enhance the effectiveness of the recovery circuit. In addition, it is important to note that the useful- ness of equipment sometimes cannot be evaluated until it is actually used. Recoveries on the dredge are greater than would be expected for minus 200 mesh (75 micron) gold. Jigs are supposedly unable to recover significant gold in this size range. Yet in this specific recovery circuit, jigs have consistently performed above expectations. Constant experimentation with various configurations has resulted in the present system. Experiments continue, with improved recovery and lower processing costs the main objectives. Finally, skilled workers ensure the smooth operation of recovery equipment.

Acknowledgment. The information in this section was graciously provided by Mr. Douglas Ottema, Metallurgical Superintendent for the Yuba-Placer Gold Company.

Hansen Brothers - Hugh Fisher

Gold recovery systems were installed by Hugh Fisher and Associates of Gridley at two sand and gravel plants operated by Hansen Brothers Sand and Gravel. These plants are located in Nevada County, one along the Bear River south of Grass Valley and the other along Greenhorn Creek east of Grass Valley. The recovery systems are operated by the employees of Hansen Brothers and the concentrates are collected and processed by Hugh Fisher. Equipment maintenance and repair is performed by Fisher and Associates. The efficiency of recovery circuits at these plants is difficult to evaluate since the gold content of the ore is not recorded or calculated. All recovery figures are estimates by Hugh Fisher based on the performance of the equipment and speculation as to original gold content of the feed.

Gold recovery in sand and gravel plants presents problems not associated with placer gold mines. Recovery systems must be designed to interface with an existing sand and gravel operation. This usually limits the type and amount of equipment that can be used and, consequently, reduces recovery. In addition, extreme variations in feed rate occur because sand and gravel plants operate in response to demands for sand and gravel, not gold. Variable feed rates may reduce gold recovery by causing recovery equipment to function erratically. Finally, in most sand and gravel operations, the material mined has not been evaluated for gold content. In these cases, gold recovery cannot be accurately calculated, and the only measure of success is the extent that the value of the recovered gold exceeds the cost of processing.

Bear River. Feed material for the Bear River plant is mined from an overbank along the river. Geologically, it would be mapped as recent alluvium. The sand and gravel operation has a capacity of 250 tons per hour and usually runs 8 hours a day, from March through November, depending on demand. The recovery circuit usually collects one 55 gallon drum of concentrate a day.

All minus-1/8-inch material from the sand and gravel plant is run through the recovery system (Photo 15). Feed is initially directed to two double-cell, 42inch Pan American jigs. These

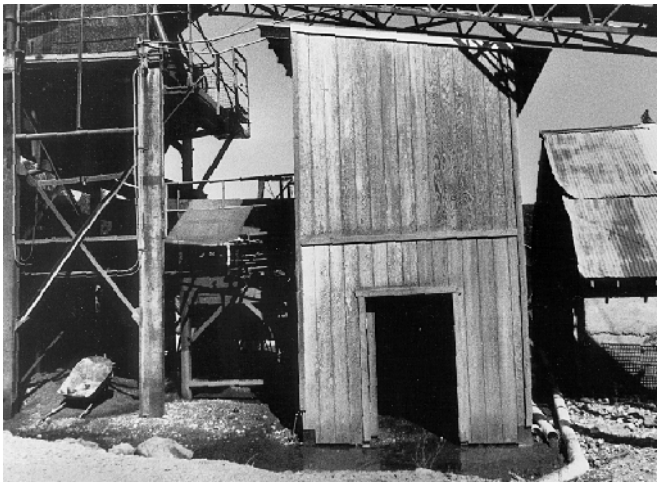


Photo 15. A view of the gold recovery circuit at the Hansen Brothers Bear River plant. Raw material is fed from the large structure at left. Two conventional jigs are barely visible in the center, and the shaking table and the concentrate barrels are in the covered structure on the right.

machines have a capacity of 25 to 30 tons per hour. The ragging is 1/4-inch steel shot and the jig screens have 1/8-inch openings. Jig concentrates are collected in the concentrate barrel. Tailings flow into a sump, are dewatered, and then are fed to a Deister shaking table with a capacity of 1 to 2 tons per hour (Photo 16). Concentrates from the shaking table are also collected in the concentrate barrel.

Photo 16. Deister shaking table inside the structure of Photo 15. Note dark bands of separated concentrate to the left.

Concentrates are processed by amalgamation at Hugh Fisher's facility in Gridley. The value of gold recovered averages 35 cents per cubic yard (gold at $380 per ounce). It is estimated that there is significant fine-gold loss in the recovery system. Jig recovery is estimated at 70%. Approximately 80% of the gold recovered in both recovery operations passes 30 mesh (less than 0.6 mm).

Greenhorn Creek. The recovery system at Hansen Brothers Greenhorn Creek sand and gravel plant consists of a magnetic separator and a set of the new Mark VII Reichert Spirals (Photo 17). These spirals are unique in that they use no wash water and have only one concentrate removal port at the end of the spiral. The gravel is mined from the creek bed during dry months when the creek flow can be diverted. The sand and gravel plant has a capacity of 400 tons per hour and usually runs 8 hours a day, from March through November, depending on demand. The gold recovery plant produces an average of two 55 gallon barrels of concentrate a day.

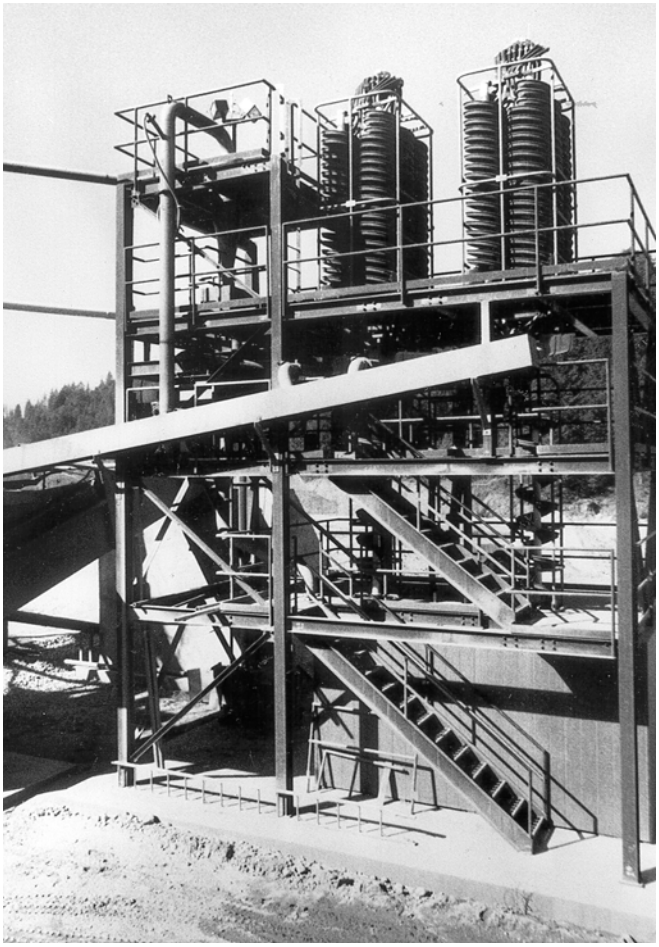


Photo 17. The Mark VII Reichert spiral assembly at Hansen Brothers Greenhorn Creek plant. This system consists of two sets of double start rougher spirals on top and two single-start cleaner spirals below. A magnetic separator is barely visible as a cylinder just above the large crossbeam at left. *Photo by Larry Vredenburgh.*

Minus 1/4-inch material from the sand and gravel operation is fed directly to a Dings magnetic separator with a capacity of 19 tons per hour. This removes much of the heavy magnetic material in the sand and thus helps produce a cleaner final concentrate. Material passing the magnetic separator flows into a sump. Water is added to bring the density of the mixture to about 25% solids, and then the mixture is pumped to the top of the spirals (Photo 18). The spirals are capable of feed rates as high as 30 tons per hour. Concentrates from the multiple start spirals are directed to two single start-cleaner spirals directly underneath. Final concentrates are collected in barrels located in a small room below the spiral stack (Photo 18). Tailings are delivered to a sand screw for classification and eventual return to the sand stockpile.

Photo 18. Pump and concentrate barrels located inside shed beneath spiral assembly.

Estimates place recovery of the spiral circuit at approximately 80%. There is significant gold lost to the sand and gravel plant because all fines do not enter the recovery system due to problems with initial screening. Hugh Fisher intends to install a Pan American jig before the magnetic separator to collect gold now retained by the sand plant.

Although estimated gold recoveries may be too low to sustain a placer mine, they are adequate for a byproduct recovery operation. The equipment has performed well, especially the new spirals, which require the least maintenance and provide the greatest recoveries. They are particularly effective for gold less than 20 mesh (.85 mm). The jigs, on the other hand, are most effective in recovering gold greater than 20 mesh (.85 mm). The jig tailings are processed on the Deister table to reduce fine gold losses. Overall, the problems are minimal and the recoveries high enough to ensure profitability.

Byproduct gold recovery provides an additional source of income for sand and gravel operations. Hugh Fisher and Hansen Brothers receive equal shares of the recovered gold. Hugh Fisher, for supplying and maintaining the equipment, is guaranteed a large source of ore and does not have to deal with the problems involved in operating a mine. Hansen Brothers has saved the money it would have to provide for the recovery equipment and for its maintenance and repair costs. The arrangement benefits both parties.

Acknowledgment. The information in this section was provided by Mr. Hugh Fisher of Hugh Fisher and Associates and Mr. Bill Goss, Plant Manager and Vice President of Hansen Brothers Sand and Gravel.

Tri-R Engineering - Stinson Mine

TRI-R Engineering has developed and manufactured the gold recovery system used at the Stinson Mine north of Nevada City near the Yuba River (Photo 19). The material mined is a remnant of a hydraulicked Tertiary channel. The gravel is cemented, but breaks down after exposure to the elements for about two weeks. The average grade is $4.66 per cubic yard (at $380 an ounce for gold). The majority of recovered gold is less than 100 mesh (150 microns).

Photo 19. View of TRI-R Engineering's recovery system at the Stinson Mine. Ore is loaded by backhoe into the feed bin, then delivered by conveyor to the trammel. The discharge is coming from the light colored primary concentrators. Concentrates are stored in the sump at left, then processed in the helix.

Gravel is mined with a single bulldozer, which rips and pushes the material in piles. A front-end loader delivers material to the feed bin at a capacity of 60 tons per hour. All material over 2 inches is rejected. The gravel is fed from the bin by conveyor to a splitter, which feeds the primary concentrators, two rotating cylinders, each 8 feet long and 1.5 feet in diameter (Photo 20). The inside of the cylinder is divided into compartments by six longitudinal metal ribs and an equal number of circular splines equally spaced. The concentrator rotates rapidly, trapping heavy material in the compartments formed by the intersecting splines. Light particles are displaced by incoming heavy particles and are washed out. The centrifugal action of the cylinder prevents heavy particles from escaping. During cleanup, the cylinders are tilted, their rotation is slowed, and the concentrate is washed out. Approximately 300 pounds of concentrate are collected for every 200 tons of feed.

EXHIBIT E

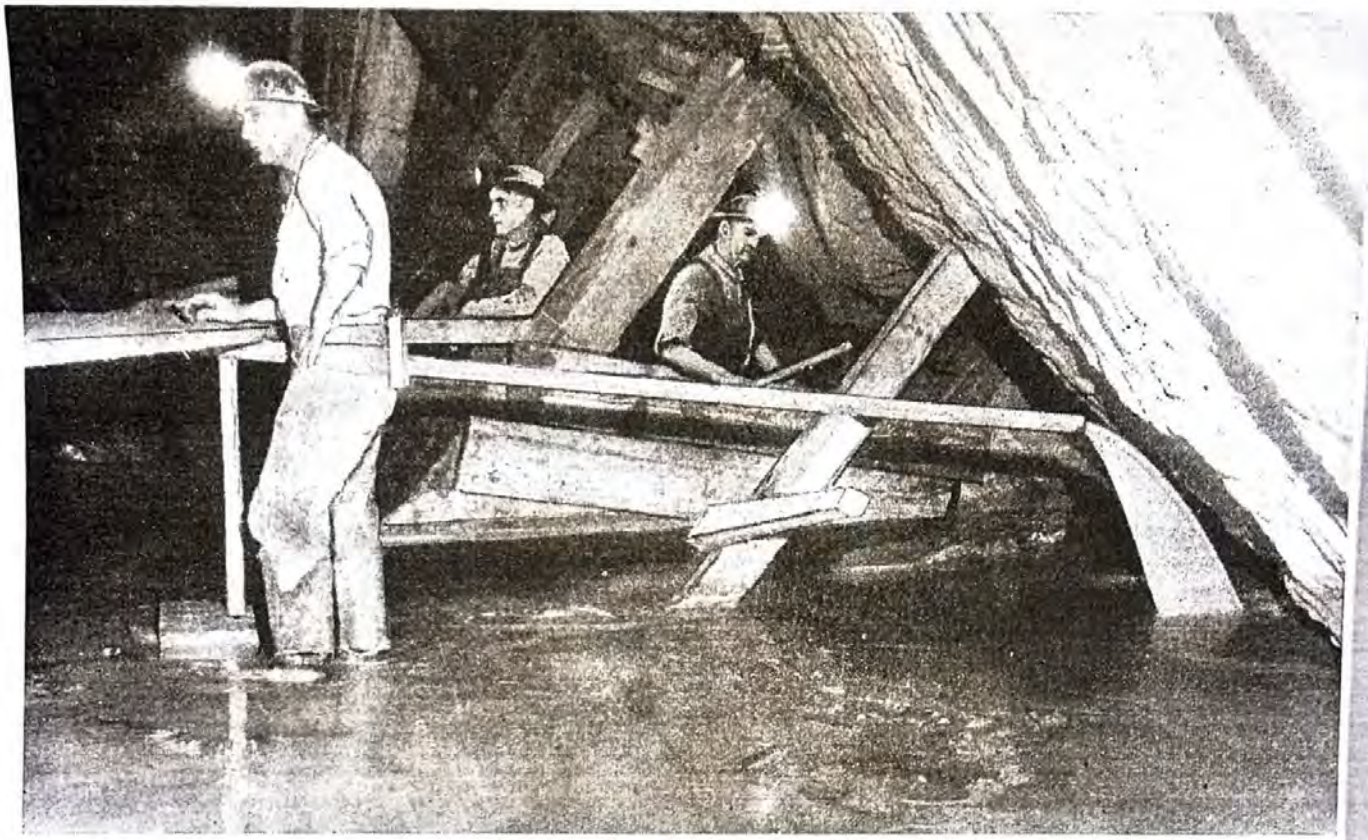
ENGINEERING AND MINING JOURNAL

A McGRAW-HILL PUBLICATION

JANUARY, 1949

Continuous filtering on multiple-disc machines at Broken Hill, Australia

Sand-Slime Filling of Stopes—Page 54



FRESH SAND-SLIME FILL is solid enough to permit the operator Raymond Coulter to stand on it. The fill is discharging from the pipeline at the right. In the background, two miners are just completing a cribbed raise that comes up through the fill.

AGITATOR
into mi

Sand-Slime Stope Filling Pro

Many advantages accrue from practice adopted in Idaho Maryland's New Brunswick mine, reopened after wartime shutdown.

RICHARD KREBS and J. C. O'DONNELL

Mill Superintendent Mine Superintendent

Idaho Maryland Mines Corporation

Grass Valley, Calif.

TAILINGS FILL close to back of old timbered stope. In foreground is timbered raise. Stretching away from camera is pipeline that conveys the sand-slime fill.

MANY PROBLEMS involved in the recapture of workings confronted the Idaho Maryland Mines Corporation on reopening the properties which had been closed by Limitation Order L-208 during the war. One large area which had been partially mined was badly caved. Finger raises had been driven into the hard hanging wall for fill, but as the rate of extraction had been so much faster than that of filling, it was impossible to maintain a cycle of cut-and-fill, and large open areas had resulted. Where square-set timber had been used, the ravages of rot had destroyed it and large areas had caved. Postwar costs made the use of timber impractical. Use of waste rock for fill was also impractical in most instances as the rock would not slide in the flat stopes, and would have to be banked by hand with a high cost for labor. Waste would also have to be mined, at present high costs, to supply a sufficient quantity. Pillars in such a badly caved area could be mined only by using a compact fill that would support the walls during their removal.

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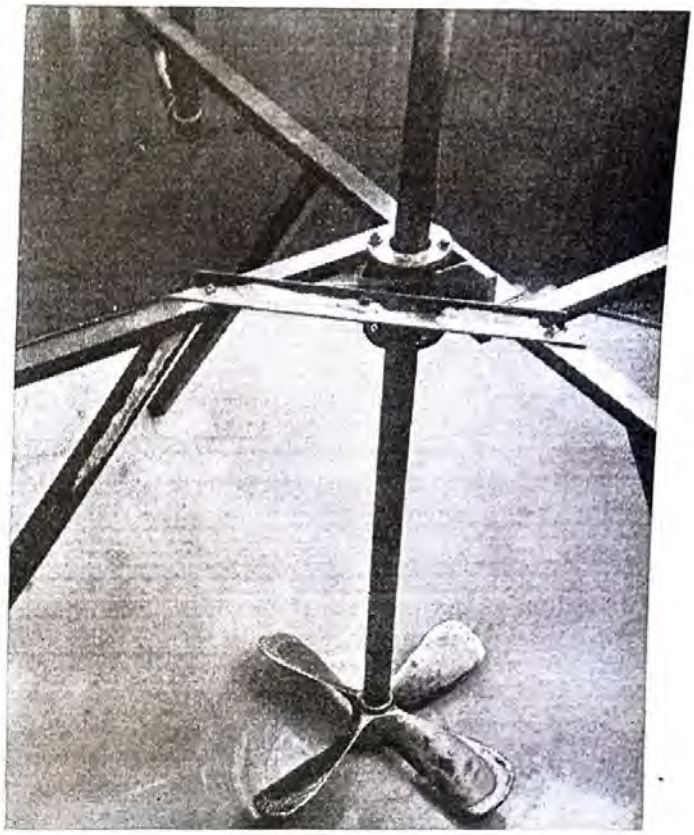
AGITATOR TANK permits constant flow of sand-slime mill tailing into mine at a desired density at any volume required.



IMPELLER, with hard-surfaced blade tips and submerged bearing, prevents settling in agitator tank. Note the cross bracing.

Proves Satisfactory

The cost of rock fill and its undesirable features led to the investigation of the possibility of using mill tailings as a source of fill material. This has a practical application in mining orebodies where walls or backs are weak, also where stringer zones occur that make the opening of too much ground costly and unsafe. Tailings can be brought to within 8 ft. of the back for stoper drilling or, if backs are bad, they can be brought up against the ground and the ore can be breasted down with a drifter.

A supply of 600 tons of tailings per day on the average was available at the New Brunswick mill. This plant produced a flotation tailing containing approximately 1% plus-28-mesh and 30 to 35% minus-200-mesh. In terms of average flotation tailings this is relatively coarse. We believed that the coarse particles would not be harmful if sufficient slime material remained in the pulp to act as a bond with the sand particles, which would produce a compact fill that would stand unsupported after a short period. Clean sand, even after long periods of standing, would "run" after the supporting walls were removed. The slime content also increases the viscosity of the pulp, which reduces the velocity and consequently the wear in the pipelines. We found our reasoning correct on both points and therefore call this type of filling material "sand-slime," to distinguish it from straight sand filling. The term slime is used throughout this article to designate the minus-200-mesh fraction.

Reports on other operations and the results of our pilot plant indicated that many difficulties met underground could be eliminated if the tailings were prepared properly before being discharged underground. This phase of the operation was given prime consideration, to develop a technique that might eliminate some of the difficulties experienced with former practices. We believe we have largely succeeded in doing so, and would like to present data on our operation.

Several papers have been written about sand-filling of stopes, two of which were available to us at the time we were considering the method of filling. These described the operation at the Homestake mine[1] at Lead, S. D., and the Sliger mine,[2] near Georgetown, Calif.

A brief outline of several methods considered, employing various types of equipment, will be given to illustrate our line of reasoning, and to clarify certain points that we considered in making a final decision in the choice of methods to be used.

1. Continuous Dewatering Devices: Classifiers, dewatering cones, and related equipment all have the disadvantage of being limited in the rate of flow by the tonnage capacity of the mill. Unless the mill tonnage is equal to the supply required to keep the pipeline full, it would be necessary to restrict the flow at the end of the line by valves or reduction orifices, which are very unsatisfactory. Also a variation of pressure, and consequently a variation of capacity, would result from dis-

[1]By Alex Ross, formerly general superintendent of the Homestake mine. Presented at an A.I.M.E. meeting in June, 1939.

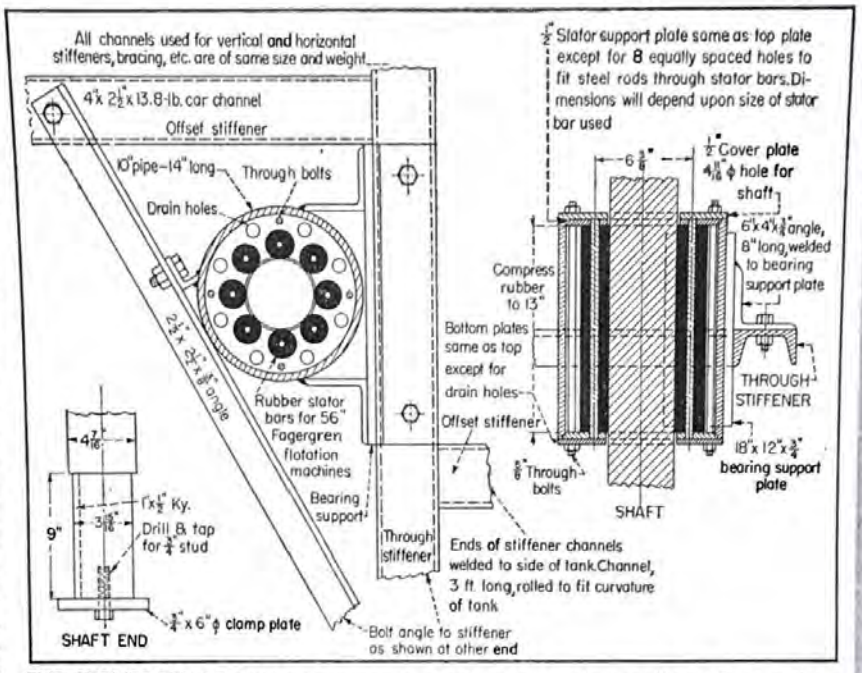
[2]"Filling Mine Stopes with Mill Tailings." By C. W. Plumb, general manager, Middle Fork Gold Mining Co., Sacramento, Calif. Presented at Annual Metal Mining Convention, Western Division, The American Mining Congress, San Francisco, Calif., Sept. 29-Oct. 2, 1941.

charging pulp at various levels in the mine. It is essential that the line be kept full at all times as it will plug if air is allowed to enter at the surface. The line will also plug if there is a substantial change in the rate of flow due to sudden changes in the density of the pulp.

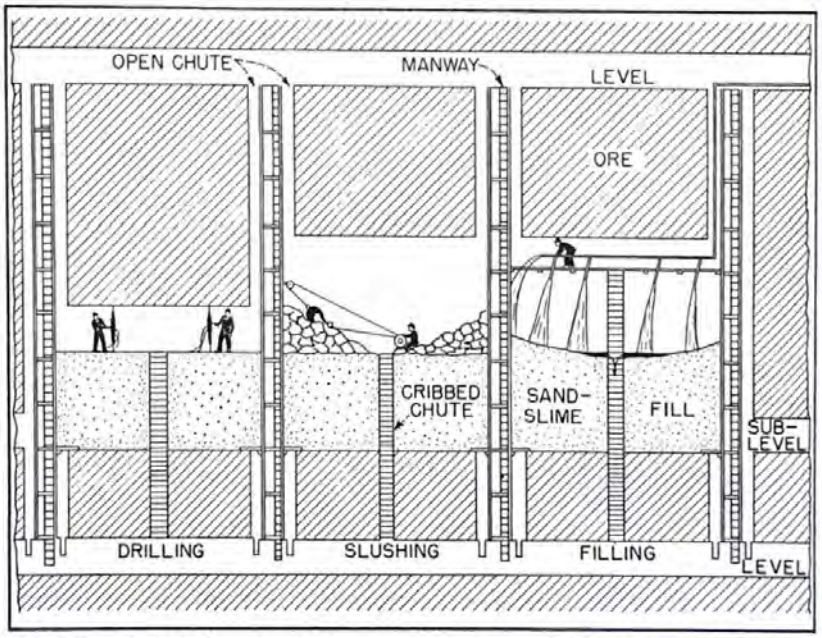
2. Storage Tank With Sluice Discharge (similar to Sliger mine): This method consists of filling a large storage tank with a center-discharge valve, similar to leaching vats or tanks used in cyanide plants. This storage tank is emptied by a sluicing mechanism into a small mixing agitator which serves to break up the lumps and acts as a surge tank to control density. This method would appear to be the cheapest to install and would require the least power, but it would call for constant attendance during the discharge cycle. Difficulty would also be had in maintaining a constant density of pulp, which is very important.

3. Batch Method by Agitation: This was the method chosen as best for our particular problem. It appeared that it would permit a constant flow of uniform pulp at a desired density, to discharge without interruption, at any volume required by the pipeline, regardless of variations of head due to the discharge points underground.

The next problem was to determine the largest size of agitator that would mix such a comparatively coarse material effectively. The Sliger operation was not comparable in this respect, as their tailings contained only 1% plus-100-mesh material, while our average tailings contain about 1% plus-35-mesh particles. Therefore, it was necessary for us to make our own estimates based on our particular requirements, which called for a tank and mechanism as shown in the accompanying illustrations.



THE SUBMERGED BEARING, here seen in detail, supports the impeller shaft of agitator to prevent bending. See also page 55.



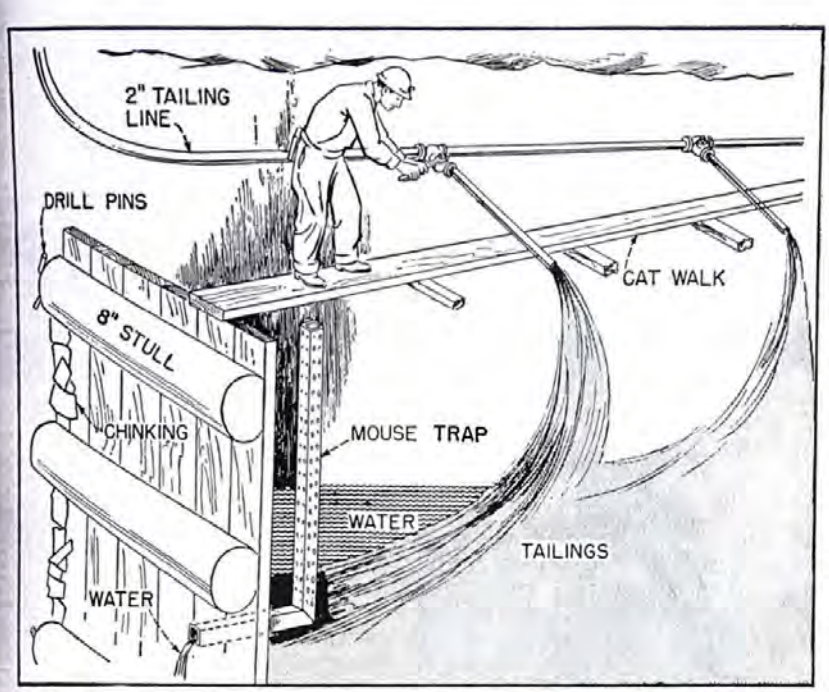
THE MINING CYCLE consists of three major operations—drilling, slushing and filling—as illustrated in this sketch.

Requirements for Agitator

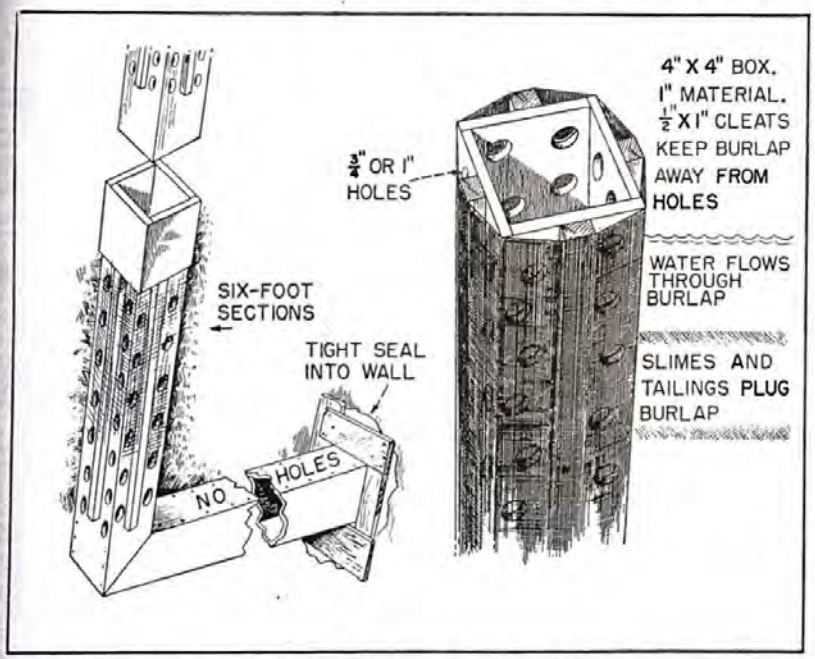
These specifications were considered adequate at the time the agitator was installed, and were based on "guesstimates" of the requirements, without precedent. Following is a brief discussion of the various requirements based on experience after two years of operation:

Supporting the tank on a raised platform, which was necessary to gain elevation, has proved unsatisfactory as it was necessary to use an excessive amount of heavy bracing to prevent the structure from weaving from the forces created by nearly 500 tons of pulp in motion. A tank of this size should be placed on solid ground, and preferably on a concrete mat with reinforcing to prevent cracking. One quarter-inch mild steel plate has sufficient strength, provided it is adequately braced. The sides of the tank have a tendency to breathe in and out, particularly when too much air is used during the starting periods. The eight, equally spaced, vertical stiffeners are more than adequate to support the weight of the superstructure, but do not stiffen the sides sufficiently to prevent distortion. Four vertical stiffeners would be enough to support the superstructure, and the distortion of the sides could be eliminated by placing horizontal stiffeners around the tank on the outside, to serve the same purpose as the steel hoops around a wooden stave tank.

The original shaft was bent, beyond repair, shortly after the tank was put into service. This was probably caused by a large mass of sand sloughing into the impeller with sufficient force to bend the



CAT WALK permits operator to reach any point along 2-in. tailings pipeline that runs above stope being filled. Note "mouse trap," details of which are shown in the sketch below.



"MOUSE TRAP" conceived by S. Lamb, shift boss, serves for drainage of water in stope fill. It is built in 6-ft. sections on surface and sent underground as required.

shaft, which was unsupported from the impeller to the superstructure, a distance of 16 ft. Recurrence of this failure was prevented by installing a submerged bearing, mounted on the horizontal cross-braces welded to the side of the tank at points 8 ft. above the bottom.

The submerged bearing was made by mounting rubber stator tubes from 56-in. Fagergren flotation machines in a 10-in. pipe, equally spaced so that the edges of the tubes just touched the shaft. This bearing has worked very satisfactorily and has required no maintenance. The rubber will flake, when dry, so a small trickle of water was allowed to run down the shaft to keep the rubber wet after the pulp had dropped below the level of the bearing.

The entire mass of pulp within the tank must be kept in motion with sufficient velocity at all points to support the largest particle of sand. This is a function of the size and speed of the impeller. Following are data obtained in experiments made with different size impellers:

A 3-ft. diameter impeller, rotating at 150 r.p.m., merely churned the pulp near the center of the tank, and did not create movement of a large enough mass of pulp to break down the solidly packed walls of sand.

A 4-ft. diameter impeller, rotating at 128 r.p.m., which loaded a 25-hp. motor to full capacity, was used successfully for nearly two years, with minor exceptions. A wedge of sand was left around the edge of the tank at the bottom, extending about 3 ft. up the side and out toward the center. This dead load was not harmful, and merely lessened the total output of the tank. However, the lack of speed which caused this condition increased the time required to mix the sand into a pulp.

A 5-ft. diameter impeller, rotating at 110 r.p.m., overloaded the 25-hp. motor by approximately 50% and for this reason was tested for only a short period.

This same 5-ft. impeller was reduced to 54 in. in diameter by cutting off 3 in. from the end of each blade with a cutting torch. At the time of writing this it has been in service about three weeks and has worked very satisfactorily. It reduced the time required to stir a batch of sand by about one-third, and eliminated the wedge of sand left in the bottom of the tank when using the 4-ft. impeller. The average ampere-reading, when using the 54-in. impeller, was 45 amp., which is an overload of about 30%.

Impeller Hardsurfaced

The 5-ft. impeller was cast of steel in a local foundry. Steel is superior to the white-iron castings previously used, as it will take hardsurfacing more readily. We have made a practice of hardsurfacing the worn areas every third Monday, as the tank is left empty over Sunday, when the mills are shut down.

The hardsurfacing is not a lengthy task nor an expensive one, as the only section that requires resurfacing is a narrow strip, about 2 in. wide, at the extreme end of the blades, which taper down to a thin edge. If this thin edge is kept in repair, and not allowed to eat away, the balance of the impeller should last for at least a year.

Table I gives the particle-size distribution of the mill tailings and of the thickened pulp discharged underground.

All data as outlined in this report, such as horsepower require-

Table I—Particle-Size Distribution of Tails and of Pulp Discharged Underground

Mesh	Mill Tailings % Wt.	Mill Tailings Accum. % Wt.	Agitated Pulp % Wt.	Agitated Pulp Accum. % Wt.
Plus 28	0.5	0.5	1.0	1.0
Plus 35	3.6	4.1	5.3	6.3
Plus 48	8.2	12.3	10.3	16.6
Plus 65	18.2	30.5	19.6	36.2
Plus 100	18.9	49.4	19.3	55.5
Plus 200	19.5	68.9	25.9	81.4
Minus 200	31.1		18.6	

Table II. Factors Showing Effect of Density on Flow Rate

% Solids	Tank Disch. In./Hr.	G.P.M.	Velocity Ft./Sec.	Dry Tons Hr.
64	38	178	18.1	48.1
67	36	167	17.0	47.9
70	30½	143	14.6	44.8
72	26	122	12.4	40.3
73	23	108	11.0	36.6
74	19	89	9.1	31.0
75	14½	68	6.9	24.2
76	9½	45	4.6	17.2
77	Plugged Pipeline Underground			

ments and all other factors involved in the surface operation, as well as the results of our underground operation, are based on the use of tailings with the size distribution noted. A finer product would be advantageous in regards to the surface operation as it would require less power to mix the sand into a pulp, and would also cause less wear from abrasion on equipment and pipelines. No difficulties should be had underground from the use of a much finer product, as outlined in the report on the Sliger mine, where the product delivered contained only 2% plus-100-mesh material.

The agitator, which acts as a thickener during the filling cycle, overflows a substantial amount of dilute pulp. The amount of slimes retained in the final pulp can be controlled by the length of overflow weir. Originally all the overflow product was discharged through a 6-in. pipe connected to the side of the tank, with no overflow launder. Recently we installed a short section of overflow launder with a weir 10 ft. long. This reduced the overflow velocity sufficiently to increase the minus-200-mesh material 6%.

Density of Pulp

Pulp density will have to be determined at each individual operation to meet the specific requirements which will vary according to the character of the tailings, fineness of grind, size and length of pipelines underground, pressures developed, and the location, type, and preparation of stopes.

Table II gives various factors which illustrate the effect of density on the rate of flow. In each instance the same material, with the exception of changes in pulp density, was delivered through approximately 6,000 ft. of 2-in. pipe to a vertical depth of 1,600 ft.

Pulp with a density of 74% solids gave the best results underground, and due to lower velocity would cause less wear than a pulp of lesser density. During the allotted time of 6 hr. only 186 tons could be discharged from a pulp of 74% solids. A pulp of 72% solids would discharge 242 dry tons during the same period. For this reason we attempted to maintain a pulp of 72% solids.

The 20-ft. tank has an available capacity of 15½ ft. of pulp, as the sand will settle and plug the discharge outlet when the pulp level has dropped about one foot below the impeller. At 74% solids, this 15½ ft. of available pulp will deliver 304 dry tons.

A 3-in. pipe, discharging a pulp of 74% solids, under the same conditions as outlined in the tabulation, would deliver the total capacity of 304 tons in less than five hours. This would indicate that a 3-in. pipe would have been a better choice of pipe size than the 2 in. installed before the above data was available. The increased cost of the 3-in. pipe would undoubtedly have been offset by the reduction in cost, per ton of fill, by the increase in tonnage from the same equipment with fixed overhead charges.

The tailings are pumped through a 4-in. line by a 4-in. Wilfley pump to the agitator at the rate of about 28 dry tons per hour in a pulp of 40 to 45% solids. On an average it requires 26 ball-mill hours (13 hr. with both ball mills in operation) to fill a tank with pulp of 72% solids. Filling starts each afternoon at 3 p.m. About 12 hr. later one of the mill operators measures the sand level in the tank to determine how much longer the pump should run. This is done with a wooden rod, about 2 in. in diameter and 10 ft. long, on the end of which is fastened a round metal plate about 10 in. in diameter. This is lowered into the pulp without pushing and allowed to come to rest. The rod is calibrated with notches, which indicates to the operator when the tank is full, at which time the pump is shut off and the pulp allowed to settle until morning. The day operator measures the depth of clear water above the pulp level and if necessary decants the required amount of water to produce the proper pulp density. This can be determined by a chart which was made for this purpose.

After the desired density has been established by the above procedure, the 1-in. air valve, fastened to the bottom of the tank and directly under the center of the impeller, is turned on for about 5 min. This creates a column of loose pulp around the impeller and along the shaft. The reversing switch is then set on the "Start" position (upward thrust of the impeller) and the motor started. The impeller is allowed to run with an upward thrust for about 15 min. The air under the impeller is turned off and the motor reversed (downward thrust of the impeller) and allowed to run in this direction during the entire discharging period. After the air under the impeller has been turned off, the eight ¾-in. air valves, equally spaced around the tank and 18 in. above the bottom, are turned on just enough to give a slight bubbling at the surface of the pulp. This assists the impeller in creating a rising column of pulp at the side of the tank. This air is turned off after the pulp level has dropped 3 or 4 ft. Generally it requires about 20 min. to mix the sand into a pulp after the impeller has been switched to running position.

Turning on the Pulp

A telephone is always installed near the filling area, and at a signal from the underground operator ("sand jockey") water is turned into the pipeline at the surface for 2 min. When this water spurts out of the end of the pipe, the "jockey" knows the line is clear and phones for the pulp to be turned on. This is usually about 8:15 a.m. The mill operator remains at the tank for about 30 min. to be sure the pulp is flowing underground. He then returns to the mill for his regular duties. If anything goes wrong underground, the "sand jockey" phones the hoistman, who blows a whistle to indicate to the mill operator that the flow should be stopped, at which time he again turns water into the line for 3 or 4 min. to flush it out. Flushing out the line is very important and must be done after every delivery of pulp through the pipeline. If for any reason the underground cannot take a tank full of pulp after it has been mixed, the tank is emptied, to just

below the impeller, by discharging through a by-pass valve into a launder leading to the mill tailings flume. This is done to prevent the sand from packing solidly about the impeller, which would make it difficult to start the following morning. An unmixed tank of tailings can be started with ease after several days of settlement, but after it has once been stirred, it cannot remain in the tank, even overnight, without causing difficulty in starting.

Flow Rate and Pipe Size

The rate-of-flow chart was based on tests made while filling on the 1,600-ft. level. Pipes leading off to the workings on 1,300-ft. and 900-ft. levels gave an increased rate of flow amounting to about 15% and 30%, respectively. With this general information, one should be able to estimate, within reasonable limits, what size pipe is best suited to their particular problem.

For tailings with 1 to 5% plus-35-mesh, it would be recommended that a pulp velocity of not less than 8 f.p.s. be maintained. With finer grading, say 1 or 2% plus-65-mesh, it would appear safe to drop the velocity to perhaps 6 f.p.s. In either event the allowable velocity will depend upon the viscosity of the pulp, determined by the percentage of solids and the amount of slimes retained. The aim is to maintain a pulp with as high a density as will flow freely through the pipe.

If valves are used to divert the flow to different levels, they must be installed adjoining the "Y" in the line, so that the sand will not plug the dead line between the valve and the "Y." We have found that all-iron plug cocks are best suited for this purpose. Care must be taken that the sand jockey does not inadvertently close the valve in the live line before making sure the dead line has been opened. This would surely result in a plugged pipeline.

Pipelines extending through the old workings were occasionally broken by falling rocks, which caused sections of the line to plug solidly with sand, sometimes for several 100 ft. The plugged section can be located by difference in sound on tapping the pipe. The plugged section was disconnected at the pipe union nearest the start of the plug (Unions were installed every four or five lengths of pipe). Water was turned into the line at the surface for one minute and then shut off. This built up pressure in the line, which usually forced out the sand in the plugged section between unions, although it was sometimes necessary to beat the pipe with hammers to start the sand in motion. When the plugged section was cleared, another section, between unions, was given the same treatment. The use of flanged joints or Victaulic couplings would have minimized the labor of this procedure. Fortunately it was necessary to unplug the line only four times in over two years of operation.

The threaded ends of standard pipe are worn out before the balance of the pipe. This is undoubtedly due to eddy currents created by the increased area of the coupling. Also the pipe walls are thinner at the threaded section. The added cost of Victaulic couplings would be justified for this reason, if not for the ease of disconnecting, as mentioned.

To date, a standard-weight, 2-in. pipe has handled 70,000 dry tons of tailings. Most of the joints are worn thin, and it is questionable if it will handle more than 5,000 additional tons. With butt-connected joints a standard, 2-in. pipe should be able to handle at least 100,000 dry tons. A 3-in. standard pipe would probably handle 150,000 dry tons, due to the increase in viscosity possible with a larger pipe. Experience records indicate that one ton of fill will replace two tons of rock in place.

Three Operations

The use of mill tailings for underground fill calls for three operations: Preparing the stopes for filling; conducting the fill to the stopes; and the actual filling. The first of these operations is the most difficult, especially in areas that have been mined prior to the introduction of this fill method.

The preparation of stopes for filling is a problem of making them watertight, which sounds formidable, but experience has taught us that it is not difficult, even in old stoped areas.

In previously mined areas, where all the ore was taken out above the drift, it became necessary to build walls along the level. These were built of 10 x 10-in. posts, placed vertical rather than at right angles to the dip of the vein; 3-in. lagging were used for walling. Inexperience and low density made it imperative that such walls be of sturdy construction.

In stopes the 10 x 10-in. timbers were placed at right angles to the dip of the vein, and not more than 4 ft. apart. Three-inch lagging, nailed on the inside, served for walling. It was not necessary to use tongue-and-groove material, or seal the cracks, and there was no loss of tailings between the lagging. Any space between the lagging and the irregular contour of the ground was plugged with burlap or wadded newspapers, held in place by pieces of powder boxes. To hold the 10 x 10-in. timber in place, hitches were cut in both the hanging wall and footwall, and drill holes with pieces of discarded steel were used for anchoring. Securing the timbers in the above method was necessary, as there is no squeeze in the hard walls of the Brunswick veins. Later development proved that 8-in. stulls, surfaced on one side, were less expensive and just as efficient as the 10 x 10-in. timber formerly used.

Inexperience in sand-wall construction and lack of density in the pulp were the two causes of early difficulties. The first walls built were poorly chinked and, added to this, a surplus of water caused breaks. Decanting water from the top of the fill eased the wall pressure and eliminated most of the breaks.

Conducting the Fill

The tailings pipeline is brought into the stope within 8 ft. of the back, and a catwalk built to permit access to valves for control of flow to different parts of the stope. Placing the pipe and catwalk near the back eliminated the necessity of raising them as the stope filled, and the constant attendance of the sand jockey if horses were used. The elevation of the discharge pipe in the stope occasionally was 30 to 40 ft. higher than the main incoming line. No difficulty was encountered from inclining the pipe to a higher discharge point.

Originally the pipe was brought into the stope at a low elevation and raised as the stope filled. During this procedure it was necessary for the jockey to walk on the tailings to control the valves while filling. Under these conditions it was difficult to walk in the soft fill. To overcome this "mushiness" one pound of aluminum sulphate per ton of dry tailings was added to the agitator during the mixing period. This produced a compact fill that could be walked upon with ease.

Aluminum sulphate produced a flocculated pulp through which

water would drain. Without it the mass was impervious and water would have to be drained off the surface of the fill. The latter method was considered the more practical, as provision would have to be made to drain off the water, at the bottom of the stope, when aluminum sulphate was used. When the main pipeline was brought into the stope near the back, with a catwalk for control, it was seldom necessary to walk on the fill, and the use of aluminum sulphate was discontinued.

With very fine tailings it would no doubt be essential to use aluminum sulphate at all times. Without relatively coarse tailings it has proved to be unnecessary. In either event the use of a very high density pulp, say 74% solids, would minimize the importance of both water drainage and the use of aluminum sulphate.

Filling a Stope

The normal procedure is to fill at the far end of the stope, and slope the tailings toward the timbered wall. This makes it possible to have complete control of the water where desired. Short discharge pipes from the main line are placed so that the tailings are built higher along the hanging wall. When they are discharged along the footwall a pool of water would gather along the hanging wall, and when sufficient pressure had built up a break would occur. Also the tailings would shrink away from the hanging wall, leaving an open gap about 2 in. wide, which can cause trouble if water is allowed to enter the gap. To overcome this condition the jockey mucked up sand along the hanging wall before starting the new fill.

One man (the jockey) in charge of the underground filling drilled 1-in. holes about 4 in. apart over the entire wall area. When the tailings reached a level of holes they were plugged with a wad of paper, and the water drain continued at a higher level. In this manner it was possible to keep all the water drained from the low end of the fill.

Boring holes, keeping them free of wood chips, and plugging them as the pulp rose, kept one man busy. Should he have to regulate valves to the different parts of the stope, or be away from the drain wall for more than very short periods, the tailings would drain out of the bore holes. This led to the idea of devising some simpler and more automatic method of draining water.

Several methods of water drainage were attempted before the "mouse trap" illustrated was conceived by S. Lamb, mine shift boss. The 6-ft. sections of the "mouse trap" are built and bored in the mine carpenter shop and sent underground as ordered. On completion of the sand wall, the timbermen cut the drain hole in the wall and install the trap, which is always placed along the footwall. It is at this time that the single thickness of burlap is nailed securely to the trap. When the water is continuously drained from the surface of the fill, there is little danger of break-outs due to excessive pressure, and fill can continue, without interruption, to any desired depth of fill. It is not necessary to allow the tailings to set, or dry out, before additional filling. Discharge water flows through the trap at the rate of 20 to 30 g.p.m. The smallness of this quantity of water is due to the high density of the pulp used. It is practically clear and causes no wear or extra load on the pumps.

No delays occur between filling and mining as the men are able to work on the tailings the morning after the filling is completed. Originally it was thought necessary to cover the fill with 2-in. lagging as a slushing floor. High cost of material and labor made this impractical, plus the fact that fines were lost in the space between the lagging and the walls. In the present operation, where the ore is slushed from the top of the fill, or where buried ore or pillars are mined by underhanding, very little of the tailings are scraped into the chutes by the slusher operation.

Chute Construction Simple

Cribbed chutes are constructed of 3 x 12-in. lagging, 5 ft. 4 in. long, with a 6-in. dip on either end. Construction of the chute is simple as the cribs are built in the open stope to the height to be filled, and the cracks are covered with sawmill slabs. Tailings are discharged at both ends of the stope, and water is drained down the cribbed raises. In one instance, the abrasive ore cut through the footwall side of the crib before the stope was completed, yet none of the tailings was lost out of the fill. In another instance, mining was carried alongside a filled area, leaving a vertical wall of tailings, 20 ft. high, which remained intact with no signs of sloughing.

One of the accompanying drawings shows a complete cycle of cut and fill in a long stope, in which the first section is being filled, the second section slushed, and the third section drilled.

Additional Advantages

The use of tailings for filling has other advantages, such as:

1. Stope can be filled to back.
2. Gives a higher percentage of recovery of ore than when pillar support is used.
3. Better method of support than stulls.
4. Filling of stoped areas where there are closely spaced veins makes mining easier and safer.
5. Better control of ventilation.
6. Reduces voids, thereby reduces pumping in case of flooding.
7. Stoped areas can be stepfilled.
8. Bad walls can be controlled.
9. Labor cost low.
10. Permits mining of wide stopes of variable or undetermined widths.
11. Materially reduces surface subsidence where it is important.

Over a two-year period the total cost per dry ton of tailings is as follows:

Pumping	$0.04
Mixing	0.03
Timbering	0.16
Placing	0.09
Total	$0.32

This cost includes all surface labor involved in the preparation of timber, mouse traps, maintenance of equipment, etc. It also includes repair parts and pipe used to convey the tailings to additional stoping areas. It does not include the amortization of surface equipment or the original pipeline down the shaft. Total cost of pipe, equipment, and the installation amounted to approximately $7,000. Charged against present 70,000 tons handled this would amount to $0.10 per ton of fill if written off completely in the two and one-half years of operation.

The 16-c. timbering charge covered all types of stopes which were filled, including many that had been mined without leaving pillars above the drift. When preparing stopes particularly for this fill, leaving pillars above the drifts, the timbering charge can be reduced by 50% at least.

We should like to thank the board of directors of Idaho Maryland Mines Corporation for permission to publish this paper, also to thank Neil O'Donnell, executive vice president, for reviewing the script and making several timely suggestions.

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Mine

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THE DEVELOPME
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EXHIBIT F

GOLD IN QUARTZ

The Legendary Idaho Maryland Mine

JACK CLARK

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ground levels. The total production of tungsten during 1956 amounted to 8,343 tons, from which a gross of $402,000 was realized.

All gold mining operations in the Grass Valley mining district ceased in July 1956, for the first time in over 105 years. Idaho Maryland Mines Corp. had stopped its gold-mining production on December 27, 1955, when it switched operations entirely to mining tungsten. The Empire Star Mines Co. Ltd. ended its gold production on July 5, 1956, after it received a strike notice from the Mine Workers Protective League.

A Successful Auction—1957

After the mine closed, the salvage crew continued removing equipment from underground. On March 15, 1957, the last cage of items was hoisted to the surface in the New Brunswick shaft. The electric power to the mine then was disconnected at the Brunswick substation. These two great gold producers became a casualty of the low price of gold and an inflated economy that left gold mining in its wake.

On April 30, 1957, Nevada County Tax Collector Alma Hecker and Auditor/Controller John T. "Tom" Trauner jointly announced the good news that the county of Nevada and two school districts had received a check for $102,291.98 from the Idaho Maryland Mines Corp. for payment of local taxes. That amount included $34,930.33 for the current fiscal year, and $67,361.56 for delinquent taxes and late penalties. Payment of these taxes was made possible by the sale of mining equipment owned by the mine. The Milton J. Wershow and David Weisz companies of Los Angeles had been employed to auction off all saleable equipment and buildings. Beginning on May 21, 1957, a two-day auction was held at the New Brunswick mine to liquidate over 1400 lots of equipment and structures. These involved everything from the Old Brunswick, New Brunswick, and what remained of the Idaho Maryland mines. Buyers representing mining companies from many parts of the world, cities, counties, lumber mills, and interested people came to participate. Over 1,000 reviewed the items that were neatly arranged throughout the mine yard and in buildings.

The auction was a huge success, with the bidding brisk at times. Management was quite satisfied with the outcome, especially for the prices received for items such as the Marcy 86 ball mills, hoists, headframes and compressors. President Bert C. Austin announced that the money received would satisfy all outstanding debts and leave the corporation with a surplus of cash.

EXHIBIT G

NEVADA COUNTY PLANNING COMMISSION
NEVADA COUNTY, CALIFORNIA

MINUTES of the regular meeting of January 9, 1986, Grass Valley Veterans Building, 255 South Auburn Street, Grass Valley.

NOTE: A cassette recording of this meeting is permanently on file in the Planning Department, 700 Zion Street, Nevada City.

MEMBERS PRESENT: Commissioners Estin, Albright, Seghezzi, Rivers
MEMBERS ABSENT: Commissioner Smith
STAFF PRESENT: Planning Director Thomas Parilo, Planner Dale Creighton, Clerk Judy Menet
ADVISORY STAFF: None

TABLE OF CONTENTS

Consent Items: Approval of minutes for 12/12/85 & 12/19/85 Planning Commission meetings

Public Hearings: FM85-7 Tentative map application of Erickson, Bouma & Toms for 78½ acres on East Bennett and Brunswick Road.

FM85-8 Tentative map application of Leon Sanford for 118 acres on both sides of St. Hwy 20 and Squirrel Creek Road.

Old Business: None

New Business: Discussion of findings requiring denial of map application as contained in Subdivision Map Act

Correspondence: None

Adjournment: Next meeting set for January 23, 1986, Grass Valley Veterans Building, 12:30 p.m.

Meeting called to order at 12:30 p.m. by Vice-chairman Danny Estin. Flag salute led by Commissioner Seghezzi. Roll taken with Commissioner Smith absent.

Approval of Minutes

MOTION by Commissioner Seghezzi, seconded by Rivers, to approve the minutes for the 12/12 and 12/19 meetings as presented.

MOTION PASSED by voice vote with no dissension.

Comment on the vote by Commissioner Rivers that the newspaper stated the hearing only took two minutes whereas it took four pages to record the minutes for that action.

FM85-7 Tentative map application of Erickson, Bouma & Toms

Planner Creighton presented the project noting it was a final map subdivision of 78½ acres. He noted that through the Certificate of Compliance procedure the applicant has verified he currently has five existing lots on this property and has elected to use the final map procedure to adjust the boundaries on the property

for more suitable building areas than those set by the mining claims. The planner noted that the Subdivision Map Act requires the submittal of a soils report showing that the soils are safe for building. The applicant is requesting a waiver of this report. The planner reviewed County Counsel's opinion on the problems with waiving such a report without specific knowledge, expertise and information being available. The planner also noted that there was a technical problem with the noticing of this project as the map used forthe public notice is not the one being considered today but was the original map submitted. He noted that the map has been changed through suggestions of the ARC to adjust the boundaries of one lot due to setbacks on that lot from roads and streams which make that lot hard to utilize. This redesign also leads to a better access to the industrial lots. The planner noted that there was concern with waiving the soils report due to past mining activity on this property. The planner reviewed the suggested conditions of approval if they could take action to waive the soils report. New conditions from the Department of Environmental Health were presented to the Commission.

Commissioner Estin asked if the Resource Conservation District commented on the request to waive the soils report. It was noted they had not commented on this request. Commissioner Estin also asked for the location of the original five parcels which was unavailable.

Ted Dawes, Attorney representing Mr. and Mrs. Walker adjacent property owners, noted that it was a requirement of the parcel map application that all existing easements be shown on the map when submitted. He also noted that the wrong map was used for public notice on this application. Mr. Dawes requested they continue this hearing until these two problems are taken care of as the map does not show an NID line which runs through parcel 2 and 4 and 7 or 8, nor does it show easements for PG&E and telephone as required by the application.

Chairman Estin noted he personnally would like to continue the hearing and make a decision on Mr. Dawes request prior to taking any action. Commissioner Rivers concurred.

Mr. Dawes asked them to consider renoticing this project with the updated map if they decide to continue this hearing later and also to leave the public hearing open for testimony at the next meeting. The chairman noted he would leave the hearing open if they decide to continue it to another date and the planner noted it would probably be beneficial to renotice the entire project even though the change, in his opinion, is minor and only reflects a redesign to cover staff's concerns which could have simply been made a condition of approval. The planner noted that there is also some concern over access to the four residential lots which crosses another individuals property.

Richard Hawkins, applicants attorney, testified he feels Mr. Dawes is only trying to delay any decision even though he knew of these changes in design and had an opportunity to pick up a revised map after the ARC hearing. He further noted that there is a question over easements which Mr. and Mrs. Walker feel they have but which are not shown on the current title report. He further noted that Mr. Dawes has been uncooperative in resolving this issue earlier. He stated they can only show easements which are known and shown in the title report and not those which are not of record.

Commissioner Seghezzi asked if there was an easement problem. The planner indicated that the County procedures require submittal of a title report (current within six months) with the application and any easement shown in that report to be shown on the map submitted. The Department of Transportation should review the conformance of the map to that title report. He did note that if there are easements which are not of record, then the applicants cannot be held to show those easements.

Al Beeson, applicants engineer, testified that there are 18 easements shown on the title report with only 4 being actually locateable and the remainder dating back to the 1800s. Easements known are PG&E for a poleline, NID for a waterline and a private pipeline which runs on the northerly part of the property. He noted that many times these easements are not shown on the tentative map but only added when they go to file the final map. He also noted they are working with NID and will be adjusting their easement and granting them additional easements. He noted that this is essentially two old mines (Old Brunswirk & New Brunswick) with portions of the area having mine dump rock on it. This rock as been there for years and has solidified and would represent fill with no problem on stability. He noted they have taken perc test and 8' soil mantles and found it similar to other soil in the area which are supporting homes, roads, etc. South of Bennett Street outside of the 100' setback from the creek, they believe they would be out of any alluvial creek soil and really see no hazard as far as building goes. He also noted they might want to add a note to the map stating compaction tests should be taken prior to building on any mine dump area. He further noted that the five mining claims due to their arrangement create eight individual parcels.

Commissioner Rivers asked about the mineral rights and if they would go with the property. Mr. Beeson noted the applicant would retain their minerals rights.

The chairman opened the public hearing.

Ted Dawes, representing adjacent property owners, testified that there were two set of easements in question, one set for the access from East Bennett north to the five residential lots which crosses land owned by someone other than the applicant. He noted they could not determine if the proposed road crosses his clients land or stays entirely on the Bohemia property. He asked that they require the applicant to obtain an easement to this proposed access and to place it in such a way to limit its impact on his clients access easement and road. He also noted his clients claim an easement for a residential NID line running from this property and to a spring on the other side of Brunswick Road which are under investigation at this time.

Kathryn McVicker, adjacent property owner, asked what the applicants plans are for this property and what will happen behind their home, if there will be CC&Rs and if it possibly could result in better access to her property through this project. The chairman noted she might contact the applicant directly in regarding to these questions.

Al Beeson noted that the title report does not show an easement for Mr. and Mrs. Walker. He also noted that the reason they did not show the NID easement was because they are negotiating to change this easement.

The planner noted that the purpose of the map act is to require that all these easements be shown on new maps and the final map, if approved, would have to show all applicable easements. On the question of access easements, he noted the applicant is working on finalization of this easement and would have to prove they have it prior to final recordation of the map.

Commissioner Albright asked that in lieu of a soils report would condition 4 under the Planning Department protect the county from liability? The planner indicated it would not and it is county counsel's opinion that the application should be accompanied with soils testing report including test borings, conducted by a local

soils engineer. He noted that there is a provision to waive such a report if there is knowledge of the area which indicates such a report is not necessary. The planner noted they feel there could be problems out there and the County could be held liable. He reviewed past court action which held the County of Los Angeles liable for allowing building on unstable ground without requiring proper soils information 15 years ago. He reviewed their possible courses of action - i.e. approval granting a waiver of the soils report, continuance with the instruction to the applicant to submit the required report or continuance to allow the applicant additional time to submit information in place of said report.

Commissioner Estin noted he would have problems waiving the report as this is a recognized mining area. Commissioner Rivers concurred and also had trouble allowing residential development in an area where the mineral rights are being retained.

The planner noted that the applicant could provide additional information from an engineer practicing in the field of soils evaluation or ask the county's engineer (Department of Transportation) to review their information and make the required statements. He also suggested they continue their public hearing for two weeks to allow the applicant time to submit the proper information and to renotice the project using the revised map. Mr. Beeson noted they concurred with this suggestion.

MOTION by Commissioner Rivers, seconded by Seghezzi, to continue the public hearing on the tentative final map application of Erickson, Bouma and Toms until January 23, 1986 at 1:00 p.m. in this same location to allow the applicant time to answer questions on soil conditions. The motion also noted that the project would be renoticed with the new project design and the map would reflect existing known easements.

MOTION PASSED by roll call vote 4-0: AYES: Albright, Estin, Rivers, Seghezzi; NOES: None; ABSENT: Smith

The chairman noted that Mrs. McVickers might wish to contact the applicant or their representative directly regarding their future plans for the property and any further questions could be asked at the next meeting.

FM85-8 Tentative final map application of Leon Sanford

Planner Dale Creighton presented the background data on this application to divide 118.2 acres into five parcels for the purposes of gift deeding to family members. He noted that when St. Hwy 20 was constructed a portion of this property was cut off from the remainder. He further noted that this application also requests a waiver of the required soils report. The planner stated that staff does not have a problem with this request as the applicant's representative (Nevada City Engineering) has evaluated the soils in detail and can speak as experts on this subject. Staff's recommendation for approval and suggested conditions to be attached reviewed for the Commission along with staff's recommendation for granting the waiver of the soils report based on the information submitted and Department of Transportations recommendation.

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as the station is 4.5 miles away and at 50 mph an engine could make it to this property in less than 5 minutes. He noted that Union Hill School is within 5 miles. On the road, he noted that improvements are on the way for Greenhorn Road as a recently approved map for KNCO at the intersection of Greenhorn Road and Brunswick included conditions requiring they install a left hand turn lane or possibly a stop light at that intersection in the future.

Commissioner Seghezzi verified that three families currently are living on this parcel and approval would only add one additional family. Staff noted that the one dwelling unit is a violation and the currently zoning would only allow two families.

Commissioner Estin asked why they changed from three to four lots. Mr. Spencer noted that when they found they had to rezone the property to the higher density it seemed the best option available as the other way they would have to reconvert the garage unit.

Commissioner Estin asked if all the smaller lots surrounding this parcel were created prior to adoption of the zoning for the entire area. It was verified these all existed before 1982 rezoning which was to conform to the General Plan.

Carl Barnes, Department of Transportation, testified they had reviewed the soils information submitted by George Hansen, Reg. King's Office, and find they are adequate and feel they can support the request to waive the soils report as this is supported by data derived from actual soils testing.

Commissioner Rivers asked about plans to widen Greenhorn Road. Mr. Barnes noted they have no plans to do anything out there and their condition regarding cut and fill slopes refers to what is out there now.

The chairman opened the public hearing.

Question from Commissioner Seghezzi on the next item on the agenda and if it was to be continued if they could announce that now for people who might be waiting for that item.

FM85-7 Erickson, Bouma & Toms - Final map application for 78½ acres on Bennett St.

Planner Creighton noted that the Department had received a written request from the applicant's representative asking this item be continued until the February 27th meeting as they have been unable to obtain the soils information which the Commission asked for at the last hearing. He noted that they will renotice this project for the new date and the applicant has paid the required fee for this continuance.

Robert Platner, applicant, testified that this property has been a family project since 1969. He noted that the child living in the converted workshop has two small children and they want to build a larger residence for him. The property will go into a family trust for their five children. Two of the grandchildren are already attending Union Hill School so there will be no further impact, also the road impact will only be one additional parcel. He further stated that they have gone to the expense of perc and mantle tests on the soils and of putting in a new well.

FM85-7 Tentative map resubdivision of Erickson, Bouma & Toms

Planner Creighton noted this item was continued from the Commission's January 9th meeting and is a resubdivision of 78.5 acres into six parcels. The planner noted that problems at the last hearing involved a dispute over access to some of the lots, right-of-way problems and submittal of more information on the soil conditions to support their request for a waiver of the soils report. Applicants representative has obtained a soils report from a local soils engineer which has been submitted to the Department of Transportation for their review.

Commissioner Smith noted he was not present at the original hearings on this application and had not realized it was a continued hearing and therefore did not listen to the tapes of those hearings and therefore would disqualify himself from this hearing.

Al Beeson, applicant's representative, noted they have had a preliminary soils report prepared by Gary Anderson, Mr. Carl Barnes DOT has reviewed that report and has comments on it. He noted that the questions on the title report, a new report has been issued which eliminates a number of old exceptions which were caused by old mining claims.

Carl Barnes, Dept. of Transportation, testified that the preliminary soils report points out some problems onsite: with earthquake fault, wet lands, mine shafts, seepage, fill and tailing piles. He explained that a preliminary soils report points out problems but does not provide solutions. He stated he felt that the final map should identify safe areas for building sites and would recommend they require a full soils report and require that the final map identify safe building sites.

Gary Anderson, Geotechnical Engineers - preparers of the preliminary soils report, testified that the industrial area is underlied with considerable soil problems whereas the residential area is located up on the hill and away from most of the major problem areas. He pointed out areas on the industrial side of the project where there are wetlands, seepage areas, tailings, etc. On the residential side he only noted a portion to the extreme north (top portion) of the residential lots which contains the remnants of the Old Brunswick Mine. He stated he felt they could not do a soils report on the industrial area without knowing what someone would propose to build and the location of such building since there is such a variety of soil conditions on each lot. He further stated they probably should consider requiring specific soils investigations at the time of development of each industrial lot. On the residential lots he agreed they should investigate where the shafts are located and indicate on the map where they have good building sites.

Al Beeson noted that since any industrial development would have to go through the site plan approval stage they could require such a soils investigation at that time.

Marbelle Walker, adjacent property owner, noted that her water line crosses the residential area of this development. The applicant is proposing a road over that line and she stated she felt that would only cause problems since she would have to dig up that road if the line needed repairs. She stated she felt this was dangerous property and not suitable for subdivision. She recently had a mine shaft open up on her property, this is prime gold deposit property and the Ghidottis knew that and this was why they held the property vacant. She noted the heirs to the estate are unaware of the problems in the area. She further noted she is currently trying to sell her home and feels the entire area is unsuitable for habitation. In response to a question from the Commission she noted she has no problem with the water line easement as it is properly recorded and they have the right to dig up the line and maintain it. She noted she felt water for these lots would be a problem as if they are served by wells they could get into the contaminated water in the old mine shafts. She stated that this is the first large mine to be proposed for subdivision and it should not be approved, and it was the duty of the Commission to protect people from this kind of unsuitable subdivision.

Mr. Beeson noted they would be willing to have another continuance to allow them additional time to provide more information on the soils. He noted they would get together with Mr. Anderson to see if they could come up with building areas to show on the final map.

Mr. Ted Dawes, Mrs. Walkers attorney, asked if they take action to continue the hearing today would it remain open for comment at the next hearing date. The chairman noted the public hearing would remain open.

Planner Creighton noted that article 7 of the Subdivision Map Act notes that if the preliminary soils reports indicate the presence of critical soils problems which would lead to structural defects if not corrected, a soils investigation of each lot in the subdivision may be required to be completed by a registered civil engineer who shall recommend the corrective action to prevent structural damage. He also noted they have the option to approve the map with notations as to action needed to prevent structural damage as a condition of a building permit. He stated staff's recommendation would be to get additional detailed information as to whether or not each parcel would contain a building site location. He asked they give the applicant definitive direction as to what they need to take action on the project.

Chairman Estin noted he had great problems with development over mines especially with ones of this magnitude and he would need justification of this type of subdivision.

Planner Creighton noted he would suggest they recommend that they find a location on each parcel that could support a structure and have an engineer verify such. Commissioner Rivers noted he would also like them to locate all openings of shafts on each parcel.

Commissioner Seghezzi asked about the existence of these parcels prior to this resubdivision. Planner Creighton noted this is a reconfiguration of six existing mining claims which have been recognized by the County as separate parcels. He stated he thought most of the six parcels were located down by the stream and they were moving them up to the residential area but it was considered a new subdivision and subject to all conditions and findings required under the Subdivision Map Act.

Marbelle Walker noted that the adjacent subdivision (Cordelle Estates) was originally done illegally and was performed without soils testing. She stated that a mining claim and a parcel was not the same thing.

Mr. Beeson asked they continue this indefinitely and verified they would be willing to pay the cost of the continuance fee since it would have to be renoticed.

MOTION by Chairman Estin, seconded by Albright, to grant an indefinite continuance of the hearing on the final map application of Erickson, Bouma and Tomas at the request of the applicant with the notation that the proper fees are to be paid.

MOTION PASSED by roll call vote 4-0: AYES: Albright, Estin, Rivers, Seghezzi; NOES: None, ABSTAIN: Smith.

MOTION PASSED by roll call vote 4-0: AYES: Albright, Estin, Rivers, Seghezzi; NO: None

The chairman noted there was a ten day appeal period for this decision.

FM85-7 Final Map for Erickson, Bouma and Toms

Planner reviewed the past hearings on this project; questions raised that those two previous hearings on access, soil stability and building sites on the residential parcels. He noted that on the access a condition is being added requiring evidence of deeded access which is County ordinance anyway, on the soils stability a soils report was prepared and has determined that there is a building site on each parcel. That report also shows there are unbuildable areas on these lots which have been shown on the new map. Staff's recommendation for approval subject to conditions outlined in the original staff report and four new conditions outlined in todays staff report given.

Carl Barnes, Dept. of Transportation, testified they have reviewed the soils report and with those areas delineated on the final map and with the note on the map stating that those parcels on the south side of Bennett Street would have to have a soils report prior to building they can support approval of this map.

Gary Anderson, Anderson GeoTechnical Consultants, preparer of the soils report, explained the unbuildable areas as shown on the new map are unbuildable for residential structures because of old tailings on those portions of the property and would be suitable for roads. The area is basically a outlet drain from a shaft and they feel any access road could be safely built on the shaded areas of the map with the one exception being at the end of that drain shaft. He noted his survey was based on a 1920 survey map, checked in the field; and the actual mine records which they used to lay out the mine shafts on the property within 200' of the surface. They then used drill holes to verify that building areas had no voids under the ground.

The chairman opened the public hearing.

Ted Dawes, representing Mr. and Mrs. Walker, questioned the proposed encroachments onto Brunswick Road and was informed that DOT's requires there be only one encroachment serving the two lots from Brunswick and one encroachment serving three residential lots from Bennett and one encroachment serving the three industrial lots from Bennett. Mr. Dawes asked about the fire department requesting one through road from Brunswick to Bennett to serve all five residential lots. He also asked if the comment on page 2 (original staff report) has been satisfied by the soils report. The planner indicated this was the decision the Commission must make. Mr. Dawes asked about the comment on page 3 regarding a note stating there may be mine shafts on the property and if this was an effort to put off their responsibility as the Planning Commission to determine if the property is safe particularly given the fact that there has been testimony before them that sink holes have appearred on adjacent properties. He also questioned Environmental Health's requirements for three additional wells for this property since they also state the property shall be served by NID. Planner noted this project could go either way being served by wells or NID. Mr. Dawes explained his concern as his client is served by NID and their supply lines run across this property and there do not seem to be any provisions to protect those lines.

Linda Baldmore, adjacent property owner, asked which lots are proposed to be industrial and which are residential. The planner explained the proposal to her. Mrs. Baldmore noted she has an easement through this property and recently observed industrial trucks going up about 25' of that road to gain access to the property and wondered if they were going to help maintain that road.

Ray Hernandez, adjacent property owner, noted they really do not have a legal access and only through Mrs. Erickson's kindness do they have use of that road. He testified he was in favor of this development because this property has been accessable to people and they have had problems in the past with poachers and squatters and would prefer to see the property developed properly.

Chairman Estin reviewed the Commission's duties noting they could not clarify disputes over easements, perscriptive or otherwise.

Mr. Al Beeson, applicant's representative, noted that on Mr. Dawes concerns over the through road, the original plans did show the road going through the entire project from Brunswick to Bennett from a safety point of view. He explained how using the old map they have tied it back to the current survey and show the two existing shafts on the map. On NID service the area, he noted a portion of this property lies outside the district and they will not accept new property into the district which is why the additional condition for test wells was added by Environmental Health.

Dick Hawkins, applicants attorney, noted they are aware of the water lines and have tried to work with Mr. Dawes asking for written documentation and they are willing to work out the location of this line. On the question of the roadway width, a 20' all weather road is part of the fire districts requirements but that district cannot dictate the location of the road.

Planner Creighton explained that the conditions from NID (4 conditions) speak to right-of-way and do not refer to water lines. He noted this was County practice on any new maps to require legal descriptions of existing right-of-ways for utility districts. On the road system it was Department of Transportations advise to not make this a through road since it would serve five lots and therefore require a larger standards. He stated that by serving less than four lots they can meet the driveway standards. On the easement question, he again noted that all easements of record will be shown on the final map prior to recordation. The requirements from Gold Flat are merely to reflect their ordinance. Mr. Dawes asked if the district could at some time in the future require a through road. The planner indicated they could not overstep County requirements. The planner also noted that the Commission must see if the map meets the requirements of the County, is consistent with the zoning and General Plan designation and they must make findings in compliance with the Subdivision Map Act. Staff feels there has not been evidence that would require denial of this proposal. The chairman noted he agrees and could not make findings to deny it although he was not extremely comfortable with the proposal. The chairman asked about the soil report for the southern (industrial) section and how was that being handled.

The planner noted that Article 7 of the Subdivision Map Act states that the County shall conduct a preliminary soils report to determine the stability of the soils content of the property for the purposes of residential construction. The residential portion of the project is where they conducted the soils work with test borings. He noted that divisions of industrial property are not governed under Article 7 and can be done by parcel maps which do not require

soils reports. In this case the engineer indicated that soils report should be done on each industrial parcel through the review process as an additional safe guard.

Chairman Estin noted they must rely on the engineer's report to assure there are building areas on the residential lots and he feels there are additional safe guards on the industrial areas.

Commissioner Albright asked if the Building Department feels comfortable with this that it will not be a problem at some future time and that the County is adequately protected. Planner noted that the County only has to disclose what is out there. If they had waived the soils report requirement then they could be liable but in this case they have required that soils report, have taken expert testimony that there are building sites, and whereas that does not preclude problems in the future they have taken the steps to review the soils.

Commissioner Rivers noted he had a lot of reservations before the hearing but after reviewing the testimony and the soils report does not have a problem with this subdivision.

Commissioner Seghezzi noted he felt there is a tremendous amount of over-reaction to sink holes, and urged people to consider all the building which has taken place in the past few years without problems.

MOTION by Commissioner Rivers, seconded by Seghezzi, to approve the tentative map of Erickson, Bouma and Tom subject to conditions outlined in the 1/9/86 staff report and 7/10/86 cover memorandum:

Department of Transportation - 8 conditions
Planning Department - 8 conditions
Environmental Health Department - 3 conditions in their memo dated 1/7/86
Gold Flat Fire District - 4 conditions
Nevada Irrigation District - 4 conditions

In taking this action the Commission makes no findings requiring denial pursuant to the Subdivision Map Act and County Subdivision Ordinance, finds that the proposed subdivision and lots proposed are consistent with the Industrial and Residential designations of the General Plan and directs staff to file a Notice of Detrmination for a mitigated negative declaration with the County Clerk's Office.

MOTION PASSED by roll call vote 4-0: AYES: Albright, Estin, Rivers, Seghezzi; NOES: None

The chairman noted there was a ten day appeal period on this decision.

The meeting was adjourned until Friday, July 11, 1986, at 1:30 in this same location when they would discuss Campground Standards.

Meeting reconvened at 1:30 p.m. on July 11, 1986, in the Grass Valley Veterans Building, 255 South Auburn St., Grass Valley.

Roll taken with Commissioners Seghezzi and Smith absent.

STATE OF CALIFORNIA, COUNTY OF NEVADA

BOARD OF SUPERVISORS MINUTES February 23, **19** 87

Meeting held in the Board Chambers, Third Floor, Courthouse, Nevada City, California

REGULAR MEETING:

I. STANDING ORDERS: 9:00 A.M.

Meeting called to order at 9:00 a.m.

The following Supervisors were present:

Todd J. Juvinall, 1st District
Joel F. Gustafson, 2nd District
Jim Weir, 3rd District
Willard "Bill" Schultz, 4th District
Crawford Bost, 5th District

Pledge of Allegiance led by Jim Mansinne, Nevada County Grand Jury member.

Motion made by Supervisor Gustafson, seconded by Supervisor Weir, and passed unanimously, to approve the Minutes for the meeting of February 17, 1987.

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II. CONSENT AGENDA: Introduced by Chairman Juvinall.

1. Resolution Approving Final Map 86-11, for D. Ekstrom, on Pasquale Road. (DOT) ~~39~~

ACTION TAKEN: Motion made by Supervisor Schultz, seconded by Supervisor Weir, to adopt Resolution 87-64. On a roll call vote, the motion passed unanimously.

****

2. Resolution Approving Final Map 85-07, Bet Acres, on East Bennett Street. (DOT)

ACTION TAKEN: Item pulled from the consent agenda at the request of Supervisor Schultz.

****

3. Resolution of Intention to Vacate and Abandon a 60-Foot Wide Offer of Dedication on Parcel A, Book 4, Parcel Maps, Page 179, on Winter Moon Way, (EA 86-09) (DOT) ~~5~~

ACTION TAKEN: Motion made by Supervisor Schultz, seconded by Supervisor Weir, to adopt Resolution 87-65. On a roll call vote, the motion passed unanimously.

****

4. Resolution of Intention to Vacate and Abandon a 10-Foot Wide Public Utility Easement on Lots 595 and 596, Western Lake Properties, Unit No. 1-C, Book 2, Subdivisions Page 90, Near Bobolink Way. (EA 86-10) (DOT) 4

ACTION TAKEN: Motion made by Supervisor Schultz, seconded by Supervisor Weir, to adopt Resolution 87-66. On a roll call vote, the motion passed unanimously,

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5. Resolution Authorizing Execution of an Agreement with Tahoe National Forest, USDA, Pertaining to a County Contribution in the Amount of $4,800.00 Towards a Cooperative Control Burning Program to Improve Deer Habitat, North of Truckee in Sagehen Hills Area Approximately 180 Acres. (Clerk of the Bd.). 45

ACTION TAKEN: Motion made by Supervisor Schultz, seconded by Supervisor Weir, to adopt Resolution 87-67. On a roll call vote, the motion passed unanimously.

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2. Resolution Approving Final Map 85-07, Bet Acres, on East Bennett Street. (DOT) (Pulled from Consent Agenda) 39

ACTION TAKEN: Supervisor Schultz questioned the location of Bet Acres. It was explained that it is located at the triangle where East Bennett Street meets Brunswick Road, just on the other side of the road as the sawmill.

Motion made by Supervisor Bost, seconded by Supervisor Weir, to adopt Resolution 87-68. On a roll call vote, the motion passed unanimously.

****

III. DEPARTMENT HEAD MATTERS:

A. Director of Transportation: (Wes Zachary)

1. Resolution of Intention to Form the Blue Tent School Road Permanent Road Division. 6

ACTION TAKEN: Agenda item introduced by Wes Zachary, Director, Department of Transportation. This will provide a higher level of maintenance than is now provided on the road. He requested the Board adopt the Resolution which will set a public hearing for April 6, 1987, at 10:00 a.m. in the Eric Rood Administration Center, Board Chambers, in order to form the permanent road division.

Supervisor Bost reported he and Mr. Zachary have met with this group about six months ago, and with the exception of one individual who was at the meeting, a great number of homeowners support this.

Motion made by Supervisor Bost, seconded by Supervisor Schultz, to adopt Resolution 87-69. On a roll call vote, the motion passed unanimously.

It was noted that if for some reason the Board is not able to meet in the new Eric Rood Administration Center, the date may have to be changed.

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EXHIBIT H

IDAHO-MARYLAND MINING CORPORATION

P.O Box 1836, Suite 210, Crown Point Circle
Grass Valley, CA 95945 USA
Phone: 530-271-0679 Fax: 530-271-0693
rguenther@idaho-maryland.com www.emgold.com

November 3, 2003

Mr. Mark Tomich
Nevada County Planning Commission
Eric Rood Administrative Center
950 Maidu Avenue
Nevada City, California 95959

Subject: NOTICE OF PUBLIC HEARINGS AND NOTICE OF PUBLIC REVIEW OF PROPOSED ENVIRONMENTAL ACTION FM03-003; EIS03-003 Tentative Final Map Application by Sierra Pacific Industries proposing to subdivide 19.95 acres into 12 clustered residential lots and an 8.25 acre common open space parcel LOCATION: East Bennett Street & Brunswick Road APN (S): 09-581-08, 09, 10, 11 RECOMMENDED ENVIRONMENTAL DETERMINATION: PLANNER Garnet Holden

Dear Mark:

The Idaho-Maryland Mining Corporation presently has a lease with an option to purchase the 37 acres directly across the Bennett Street from the above referenced subject property on APN(S): 09-630-24, 30, 31, & 27. Please note that the last use of our property has been for underground mining, including dewatering, ventilation, mining, milling, and ingress and egress to the Idaho-Maryland Mine with its existing 3,460 foot shaft. We intend to apply for these mining purposes in the future and would like to see this taken into account for any nearby development, including the above subject property.

Please be advised that our corporatate name has been recently changed from Emperor Gold (U.S.) Corp. to Idaho-Maryland Mining Corporation.

If you have any questions or comments on this matter, please let me know.

Sincerely,

Ross Guenther,
Project Manager and Director

Enclosed: 10 copies

EXHIBIT I

COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
950 MAIDU AVENUE NEVADA CITY, CA 95959-8617
(530) 265-1222 FAX (530) 265-9854 www.mynevadacounty.com/cda

PLANNING DEPARTMENT	ENVIRONMENTAL HEALTH	BUILDING DEPARTMENT	CODE COMPLIANCE
PHONE (530) 265-1222	PHONE (530) 265-1222	PHONE (530) 265-1222	PHONE (530) 265-1222
FAX (530) 265-9851	FAX (530) 265-9853	FAX (530) 265-9854	FAX (530) 265-9851

November 14, 2003

NOTICE OF CONDITIONAL APPROVAL
TENTATIVE MAP

Sierra Pacific Industries
PO Box 496014
Redding, CA 96049-6014

File No. FM03-003 & EIS03-003
AP# 09-581-08,09,10,11

At the regular meeting of November 13, 2003, the Nevada County Planning Commission approved the above referenced Tentative Parcel Map, proposing to subdivide 19.95 acres into 12 clustered residential lots and an 8.25 acre common open-space parcel, on property located at East Bennett Street & Brunswick Road, subject to the following mitigation measures and conditions which are required to be completed **prior to map recordation unless otherwise specified:**

MITIGATION MEASURES:

1. **LAND USE IMPACTS:** To offset the potential land use impacts to occur as a result of mining in, or near, the area, the following Mitigation Measure shall be required:

A. The following note shall be included on the Supplemental Map, recorded concurrently with the Final Map:

"This area and adjacent properties are mapped by the State Division of Mines & Geology as a Mineral Resource Zone-2b, which designates areas underlain by mineral deposits where geologic information indicates that significant inferred resources are present. There is a possibility that extraction and processing of mineral deposits could occur in the future, under and in the vicinity of this site."

3. **GEOLOGIC IMPACTS:** To mitigate the potential geotechnical stability and erosion impacts associated with the roadway improvements and on-site construction activities, the following mitigation measures shall be required:

A. The improvement plans for the on-site road improvements shall incorporate the recommendations of the geotechnical report prepared by Holdrege & Kull, dated January 10, 2003.

NEVADA COUNTY PLANNING COMMISSION
STAFF REPORT

APPLICANT: Sierra Pacific Industries **HEARING DATE:** November 13, 2003

OWNER: Sierra Pacific Industries **FILE NO:** FM03-003 & EIS03-003

PROJECT: A Tentative Final Map proposing to subdivide 19.95 acres into 12 clustered residential lots and an 8.25-acre common open-space parcel.

LOCATION: Northwest Corner of East Bennett Street and Brunswick Road Intersection

APN: 09-581-08,09,10,11

General Plan:	Residential	**Water:**	NID
Region/Center:	Community – GV Sphere	**Sewage:**	Septic
Zoning:	RA-1.5	**Fire:**	Ophir Hill and Nev. Co. Consolidated
Flood:	Panel # 608D Zone C		
ZDM #:	53	**Schools:**	Union Hill/NJUHSD
Lot Size:	19.95 total acres	**Recreation:**	Grass Valley
Prev. File #(s):	None	**Sup. Dist.:**	III
Date Filed:	2/28/03	**Receipt #:**	19426
Planner:	Garnet Holden, Assistant Planner		

ATTACHMENTS:

1. Recommended Mitigation Measures and Conditions of Approval
2. Proposed Mitigated Negative Declaration
3. Tentative Final Map/Vicinity Map
4. City of Grass Valley Comments
5. Zoning Map

STAFF RECOMMENDATIONS:

1. ENVIRONMENTAL ACTION: Adopt a Mitigated Negative Declaration

2. PROJECT ACTION: Conditional Approval

STAFF COMMENT

Project Description

The project proposes to create 12 clustered residential lots, ranging in size from .66 to 1.21 acres. Each lot contains a specific building envelope, and the project proposes a 8.25-acre common open-space parcel extending along the westerly portion of the project from Brunswick Road almost to East Bennett Street. The Open Space parcel contains the seasonal stream, wetland and riparian vegetation as well as a large portion of thirty-percent or greater slopes. Access to the project will be from East Bennett Road. Views of the building sites from public roads will be buffered by a minimum ten-foot bufferyard required for such projects located within Community Region boundaries.

Surrounding Land Uses

The project site is located on the northwest corner of the East Bennett Street and Brunswick Road intersection. The property is within the Grass Valley Sphere of Influence with an annexation time horizon of 2011-2015. The site is also within the Grass Valley Community Region. Surrounding properties to the north and west are developed with low-density residential land uses. Property to the southeast is zoned Residential Agricultural five-acre minimum, but approximately 50 lots ranging in size from 0.5 – 2.0 acres were created prior to the current zoning designation. Property to the south and east is zoned for Light Industrial (M1) use. A portion of the Empire Mine State Park is approximately one-quarter mile west of the subject property.

East Bennett Street is a paved, County-maintained roadway that links Brunswick Road to the City of Grass Valley.
Issues

Issues

City of Grass Valley. The application was circulated to the City of Grass Valley, which supports the project with conditions. With an annexation time horizon for this property of 2011-2015, the City is not in a position to recommend that the land be annexed at this time. The City's General Plan designates this property as Urban Low Density, with a density of 1 to 4 residential units per acre. Because infrastructure is not available for public sewer in the unincorporated area, current development density cannot exceed 1.5-acre parcel size minimums. Nevada County General Plan Policy 1.38 indicates that, in some instances, the County may provide for a less intensive land use due to infrastructure capability, environmental constraints or effect on land use and development patterns outside the city's sphere.

The City is requesting half-width right-of-way offers of dedication to meet the City's standards for road build out as well as moving of the new intersection 300' from the Bennett/Brunswick Road intersection as discussed under Access issues. Both these requests are conditions of approval. The City also asked how drainage issues would be handled. During a site visit, which included the City, County and applicant representative, it was clarified that the homes will be individually custom-built homes. Building pad grading will be done in conjunction with each individual building permit. The only excavation that will take place prior to map recordation is the road construction. The Building Department will be relied upon to insure that each home site is not increasing the peak runoff. See Building Department conditions. A traffic study conducted at the City's request determined that additional mitigation is not required.

Access. A new road will be established to provide access to the lots from East Bennett Road. Both the City of Grass Valley and the Nevada County Department of Transportation and Sanitation (DOTS) have requested that the new intersection be moved 300 feet from the Bennett-Brunswick Road intersection. Modification of the curve of Empire Hills Court where it intersects with East Bennett will enable attainment of this condition, without impacting lot configuration. A Permanent Road Division (PRD) is being recommended to provide for the road maintenance needs of this project. Right-of-way has not previously been dedicated to the County along the entire frontage of the project site. A 42-foot half-width right-of-way dedication to meet the City of Grass Valley's standards for build out is required for both East Bennett Street and Brunswick Road.

The County's Nonmotorized Transportation Plan, adopted in August 2000, identifies Community Regions as having a high priority for implementation of trails, bike paths, and pedestrian facilities. Nonmotorized transportation will be provided safe access within the project and adjacent to it by requiring four-foot paved shoulders to accommodate walking and bike paths on both sides of the proposed Empire Hills Court and on the northern side of East Bennett Road, which has frontage on this property. No NID canals on present on the property.

Land Use. This property is located above the actual workings of the prior Idaho-Maryland mine, and it is located between two (Old Brunswick and New Brunswick) of the five access points into the mine. The Mineral Land Classification Maps indicate the project site is within an MRZ-2b zone referred to an the "Grass Valley Northeast Area (lode gold)." The Residential land use designation is not compatible with surface mining; however, subsurface mining could potentially occur within this area. A mitigation measure is included to notify future property owners of the potential for mineral resource extraction to occur.

A letter received from the Idaho-Maryland Mining Corporation on November 4, states that they presently have a lease with an option to purchase the 37 acres directly across East Bennett (APNs 09-630-24, 27, 30, 31). They intend to apply for use of the property for underground mining, including dewatering, ventilation, mining, milling, and ingress and egress to the Idaho-Maryland Mine with it's existing 3,460 foot shaft. They have requested that their future application for these uses across the road from the proposed subdivision be taken into account for any nearby development, including this application. This request is addressed by the mitigation measure referenced in the paragraph above.

Health Hazards. Due to County concerns regarding the possibility of historic mining and/or lumber milling at the site, Holdrege & Kull performed additional site reconnaissance. Prior mining excavations in the area are estimated to be more than 800 feet below the ground surface in the area of the proposed lots. It is not anticipated that any tunnels, if present beneath the project site, would impact the proposed site development from a geotechnical engineering standpoint. In the event that any evidence of former mining or lumber milling is discovered, or impacts from such development on adjacent parcels is discovered, a mitigation measure is included to halt work for a reevaluation of the land within the subdivision.

Noise. Noise levels from Brunswick Road, based upon noise analyses conducted for the Nevada County Master Environmental Inventory, exceed General Plan maximum allowable noise levels for the Lots 1 and 5 Building Envelopes as proposed. A mitigation measure is included to relocate the envelopes within these two lots so that the entire building envelope is a minimum of 168 feet from the centerline of Brunswick Road. The applicant has not submitted a revised map in response to this request; they will address this item at the public hearing.

Public Services. Water is to be provided by Nevada Irrigation District (NID). Two of the parcels are already within NID's service boundaries. The remaining two parcels will require annexation into NID prior to map recordation, and annexation will occur prior to recordation of the final map. Sewage disposal will be by individual septic. The minimum parcel size for parcels utilizing public water and private septic is 1.5 acres. The density average for this project is 1.66 acres per lot, although, because of clustering, the actual parcel sizes range from .66 to 1.21 acres. Each lot contains its own sewage disposal area.

Two of these parcels are within Ophir Hill Fire District, and the remaining two parcels are served by Nevada County Consolidated Fire District. Consequently, conditions are included from both districts. The homeowners' or similar association will be responsible for long-term maintenance of fire-safe conditions, including responsibility for maintenance and oversight of the vegetation in the common open space and the 10-foot buffer zones along East Bennett Street and Brunswick

EXHIBIT J

Former Idaho-Maryland Mine property up for sale

- By NCS Import - Jun 12, 2014

Nearly 145 acres of land once associated with the historic Idaho-Maryland Mine, which Emgold Mining Corp. had attempted to reopen in recent years, is now on the market.

Coldwell Banker Grass Roots Realty has the $2,750,000 land listing of 18 separate assessor's parcels, which includes 2,750 acres of mineral rights and a collection of core samples. But although the land's owners are sitting on a former gold mine, they're not selling the property as one.

"We're not selling a mine," said Charlie Brock, broker associate with Coldwell Banker, and the listing agent. "The property is not permitted as a mine. It's zoned M1, or light industrial."

Emgold had been trying to revive the mine east of Grass Valley for more than seven years to take advantage of an estimated 472,000 ounces of gold. Emgold's Grass Valley-based President David Watkinson had estimated that reopening the mine would generate about 600 jobs, half of which he said would be filled by residents.

But in January, Emgold announced it no longer would list the Idaho-Maryland Mine as a current project for its investors. The project's website has been removed, and the company does not have the requisite rights to pursue the project.

The project was first sent to the city of Grass Valley in 2005. In 2009, a draft environmental report drew criticism; the report was declared insufficient and Emgold was to revise its project. That now-scrapped report estimated the net revenue to the city's general fund created by the mine would be about $750,000 per year, once it reached full production.

Opposition to the mine reopening included the formation of CLAIM-GV (Citizens Looking at Impacts of Mining-GV).

In April 2010, Watkinson updated the project plan, substantially changing projections for traffic patterns, air quality, mine water, impact on nearby wells, the crushing of waste rock and noise. Grass Valley's city council gave Emgold a deadline of Sept. 13, 2012, to come up with funds to restart the environmental review, or the application would be deemed withdrawn. In February 2013, another deadline passed for Emgold to renegotiate the lease and option to purchase approximately 2,750 acres of mineral rights and 91 acres of surface rights associated with the project. In September 2013, Emgold sold off 18 acres of the prospective mine site to raise capital.

Considering contaminated mine tailings are part of the property, which the listing notes, Brock said it will likely be a challenge to sell.

"We're very much aware of the sort of political history with Emgold having attempted to permit the operation of the mine and failed," Brock said. "There are substantial environmental issues with the property itself. There are a number of environmental concerns that we anticipate the market will need answers to."

The total 145 acres includes 109 acres of 16 assessor's parcels that are contiguous to the City of Grass Valley's city limits, Brock said, with two more parcels totaling 39 acres on the former New Brunswick Mine site, near where a silo is still visible off East Bennett Road.

In addition to environmental concerns, Brock noted issues with homeless camps on the property that need to be resolved.

“It’s also a site, unfortunately, that is proving to be a homeless encampment site,” Brock said. “There are issues with availability and accessibility — and our clients are not insensitive that, but trespassing is trespassing and there’s been desecration of the land and also fire hazards.

“Coupled with the environmental concerns, it’s a very challenging property to be selling.”

Contact Editor Brian Hamilton via email at bhamilton@theunion.com or by phone at 530-477-4249.

EXHIBIT K

DECLARATION OF ROBERT PEASE

I, Robert Pease, declare as follows:

1. That I am over 18 years of age and have personal knowledge of the facts contained in this declaration, and the following declaration is true, correct and complete, and if called upon to testify I could and would testify as to the truth of the facts stated herein.
2. I was employed at Battle Mountain Gold Company as a Project Geologist from 1987 to 1992. From 1989 to 1992, I managed the California office located in Grass Valley.
3. In or around 1989, while I was employed at Battle Mountain Gold Company, I was contacted by the Battle Mountain Exploration office in Reno, Nevada, regarding the Idaho Maryland Mine ("Mine"). The Reno, Nevada office was in charge of gold exploration in the western United States. When it called me, the office was in the process of evaluating the possibility of conducting exploration drilling on the Mine property.
4. To the best of my knowledge, the BET Group contacted Battle Mountain Exploration via phone call to inquire if Battle Mountain Exploration would be interested in leasing the Mine for mineral development purposes.
5. The Reno, Nevada office gave me the contact information for Erika Erickson and instructed me to review files relating to the Mine which were in her possession. I was then to report my findings back to that office.
6. It was at this time that I met Erika Erickson, whom I am aware was one of the three owners of the Mine known as the BET Group. I called Erika Erickson and arranged to meet her at her home, where to my understanding she stored most of the Mine documents, including past production records, geological surveys, as well as aboveground and underground maps – including assay maps, drill hole maps, geological maps, and stope maps. Erika Erickson had an index of all the documents, which were stored in multiple filing cabinets and map drawers in her basement.
7. The amount of data was extensive, and larger than would typically be available during document review for other projects. Because of the large amount of data, I was unable to review it in detail. After my visit to Erika Erickson's home, I called the Reno, Nevada office and informed them that there was too much data to review quickly, and an in-depth

review would be time-consuming. After that I am unaware of whether the Reno, Nevada office continued to pursue leasing and exploratory negotiations.

8. I am aware that beginning in the 1990's Emperor Gold Corporation began computerizing the historic mine maps into a 3D modeling software program for the purpose of building underground models to facilitate exploration and mine development activities. That continued until approximately 2008 or 2009, under the Idaho-Maryland Mining Corporation (formerly Emperor Gold Corporation).
9. I began working for the Idaho-Maryland Mining Corporation in 2004 as a Project Geologist and became Chief Geologist in 2005.
10. My interactions with Erika Erickson indicated that the BET Group was actively marketing the Mine property for the purposes of mine development in the 1980's.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATE: 11/13/2023 BY: Robert C Pease

NAME: Robert Pease