

BRIAN SANDOVAL
Governor



STATE OF NEVADA
STATE ENVIRONMENTAL COMMISSION

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Valerie King
Executive Secretary

Misti Gower
Recording Secretary

October 7, 2016

Mr. Greg Gibson
President and CEO
Jerritt Canyon Gold, LLC
HC 31 Box 78
Elko, Nevada 89801

RE: Notice of Alleged Air Quality Violation and Order No. 2568
Class I Air Quality Operating Permit AP1041-3422 (FIN A0004)

Dear Mr. Gibson:

On July 27, 2016, the Nevada Division of Environmental Protection (NDEP) held an enforcement conference with Jerritt Canyon Gold, LLC (Jerritt) to discuss supporting information regarding the draft Notice of Alleged Violation and Order (NOAV) No. 2568. As a result of that meeting, NDEP formally issued the above NOAV. See attached.

NDEP sent NOAV No. 2568 via certified mail on July 28, 2016, notifying Jerritt of its appeal rights pursuant to NRS 445B.340 and NRS 445B.360. Jerritt did not appeal the NOAV. Therefore, the State Environmental Commission (SEC) will determine the appropriate penalty for the violations contained in the above referenced NOAV on **Wednesday, November 16, 2016 at 10:00 a.m. at the Bryan Building, Tahoe Conference Room (2nd Floor) located at 901 South Stewart Street, Carson City.**

Pursuant to NRS 445B.640(1), the SEC may approve an administrative penalty of not more than \$10,000 per day per violation. During the November 16 meeting, NDEP will provide the SEC with a brief overview of the NOAV and its recommendation for an administrative penalty of \$12,885.00 for NOAV No. 2568. This recommended penalty was calculated using a penalty matrix previously approved by the SEC.

Although your presence is not required at this meeting, you or a representative may wish to attend to speak on behalf of Jerritt.

The SEC may, without further notice, take administrative action against Jerritt if the SEC determines that such administrative action is warranted after it considers NOAV No. 2568.

If you have any questions regarding this notice, please contact me at (775) 687-9374.

Sincerely,

A handwritten signature in blue ink that reads "Valerie King". The signature is written in a cursive style with a large, looped "K".

Valerie King, CPM
Executive Secretary

Certified Mail # 9171 9690 0935 0012 2754 31

ec: Dave Emme, Administrator
Jeffrey Kinder, Chief, BAPC
Travis Osterhout, Supervisor, BAPC
Jennifer Chisel, SEC/DAG