

PROJECT UPDATE December 2011

ROYAL MOUNTAIN KING MINE RECLAMATION
MERIDIAN BEARTRACK COMPANY



As we approach year's end, I want to update you on the status of the water management system, which will be operating for the fourth winter this year. I had hoped for more information related to the Basin Plan Study, but the Regional Board staff still is working on the review of technical studies. Finally, during this special season, I do want to extend our greetings to all of our neighbors for a wonderful holiday season. Adam Whitman, President (775-850-3700 ext 3770)

AMENDMENT TO DISCHARGE PERMIT – At its December meeting, the first week of the month, the Central Valley Regional Water Quality Control Board will consider an amendment to the National Pollution Discharge Elimination System (NPDES) permit, which governs the outflow from Skyrocket Lake during high winter flows into Littlejohns Creek. The Royal Mountain King permit is on the uncontested calendar on the Board's agenda, available at http://www.swrcb.ca.gov/rwqcb5/board_decisions/tentative_orders/1112/index.shtml. The Board posted notices in the area.

Our neighbors who have toured our site, or have reviewed the information on this permit dating back to its adoption in 2007, will be pleased to know the basis for the permit amendment reflects our success in decreasing the amount of naturally occurring arsenic in Skyrocket Lake.

The permit maintains the very specific controls to assure the discharged lake water does not contribute to downstream flooding or exceed water quality standards. The discharge is needed because the Board requires the lake level be maintained much lower than its engineered capability to respond to staff's concerns about groundwater flow around the lake. As explained in our Update last spring, the Board approved our pilot study a year ago of a common arsenic removal treatment (endorsed by US EPA and other agencies) to see if



A simple pump on a boat distributes an iron sulfate solution that demonstrated successful removal of arsenic from Skyrocket Lake during a pilot study.

we could reduce the natural occurrence of arsenic created by the area geology found in Skyrocket Lake. By adding iron to the water, those atoms join with the arsenic, forming a solid that settles to the bottom of the lake. The pilot study demonstrated that the arsenic levels are reduced significantly, there is no additional contamination, and the treatment should be needed at most once a decade.

The Board has accepted the findings from that study, documenting that we have decreased arsenic in the lake to less than half of the level caused by the natural conditions. As a result, rather than changing flow ratios as earlier established in the permit, this amendment will allow us to maintain the current discharge flow because the arsenic levels in that water will be decreased.

BASIN PLAN AMENDMENT– Many thanks to everyone who took time to voice your opinions to the Board staff at the meeting in August about the Basin Plan study. Board staff informed us that a technical report should be out next spring. We will keep you updated on those activities.

PROPERTY PURCHASE – Meridian has completed purchasing the property we have leased since the inception of mining activity. Our long-time partner, Felix Mining Co., owned the property along the southern border of the mining area. This purchase gives Meridian complete control over all land with mining impacts for addressing the continuing closure requirements. We have no other plans for this property, and as we have explained to our neighbors, do not anticipate any decisions about future use until the path to closure is more certain with the Water Board. decisions about future use until the path to closure is more certain with the Water Board.

To visit the Royal Mountain King or for site questions, contact John Teagle at 785-3222.