

Department of Agriculture and Natural Resources  
Minerals and Mining Program  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3182  
605 773-4201; Fax: 605 773-5286

RECEIVED  
APR 24 2024  
MINERALS & MINING PROGRAM

NOTICE OF INTENT TO CONDUCT  
MINERAL EXPLORATION OPERATION  
(Excluding Uranium)

Pursuant to SDCL 45-6C

PAID

Operator's name: Wharf Resources (USA) Inc.

Mailing Address:

10928 Wharf Road  
Lead, SD 57754

Telephone:

605-584-4155

Resident agent (if out-of-state corporation):

CT Corporation System

Resident agent address:

319 South Coteau Street  
Pierre, SD 57501

Telephone:

1-605-224-5826

Legal description of area to be explored by Section, Township, and Range:

Portions of Section 35, Township 5 North, Range 2 East and Portions of Section 34, Township 5 North, Range 2 East

County: Lawrence

Give a brief description of the type of exploration to be conducted. Include a list of all minerals to be explored and a description of methods (e.g. drill rig type, number of holes to be drilled, number of drill pads to be constructed, proposed depth for each test hole, length of existing access roads and/or new access road construction).

Gold and silver exploration to be conducted by standard reverse circulation drilling methods using dry drilling with an anticipated maximum drill hole depth to be approximately 1200 feet. There will be an estimated 400 drill holes and an estimated 72 drill pads at an estimated 1989 sqft. Mineral exploration and gold mining have been conducted over portions of this property in the past, and existing roads and trails will be used whenever possible to minimize new disturbance. Approximately 1.5 miles of existing roads and trails will be utilized and approximately 1.7 miles of new trails will be created.

Date exploration will commence: Spring 2024

What legal authority does the operator have to conduct exploration on the above-described land? Include a copy if available.

Deed     Lease     US Forest Service Permit     Pending US Forest Service Permit     Other

Will the operator conduct uranium exploration?  Yes     No    If yes, a permit pursuant to SDCL 45-6D must be obtained.

**INSTRUCTIONS:**

Please reference SDCL 45-6C. This Notice of Intent must be accompanied by:

- 1. A plan of reclamation pursuant to Section 8.
- 2. A topographic map pursuant to Section 9.
- 3. A fee of \$250 payable to the Department of Agriculture and Natural Resources pursuant to Section 17.
- 4. A surety in an amount to be determined by the department pursuant to Section 19.
- 5. Any written landowner consultations giving alternative preferences for the reclamation of the affected land pursuant to Section 16.

Applicant affirms that the surface owner has been notified of the proposed mineral development and that said surface owner is aware of his rights to compensation for damages to property pursuant to SDCL 45-5A. Applicant hereby affirms that the mineral exploration will be conducted pursuant and subject to the provisions of SDCL 45-6C, and all regulations promulgated thereunder, that he will grant access to the SD Board of Minerals and Environment or its agents to the area under notice from the date of the notice and thereafter to assure compliance with the provisions of SDCL 45-6C.

*I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.*

  
\_\_\_\_\_

Date: 4/17/2024

Signature

Title: General Mine Manager, Wharf Resources (USA), Inc.

STATE OF South Dakota

COUNTY OF Lawrence

On this 17 day of April, 2024, before me personally appeared

Ken Nelson, who acknowledged himself to be the General Mine Manager

(Title)

for Wharf Resources (USA) Inc. and that he is authorized to execute the Notice of Intent for the  
(Operator)  
purposes contained therein.

  
Notary Public

My Commission Expires: March 28, 2030

SEAL



FOR DEPARTMENT USE ONLY

DATE APPROVED:    BOND AMOUNT:    EXNI NUMBER:

\_\_\_\_\_  
Chairman, SD Board of Minerals & Environment

**STATE OF SOUTH DAKOTA**  
**BEFORE THE SECRETARY OF**

**THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES**

|                             |   |                         |
|-----------------------------|---|-------------------------|
| <b>IN THE MATTER OF THE</b> | ) |                         |
| <b>APPLICATION OF</b>       | ) |                         |
| _____                       | ) | <b>CERTIFICATION OF</b> |
| Wharf Resources (USA) Inc.  | ) |                         |
| _____                       | ) | <b>APPLICANT</b>        |
| <b>STATE OF</b>             | ) |                         |
| South Dakota                | ) |                         |
| _____                       | ) |                         |
| <b>COUNTY OF</b>            | ) |                         |
| Lawrence                    | ) |                         |
| _____                       | ) |                         |

I, Ken Nelson, the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

I have read and understand South Dakota Codified Law Section 1-41-20 which provides:

*"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:*

*(1) The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner, or resident general manager of the facility for which application has been made:*

- (a) Has intentionally misrepresented a material fact in applying for a permit;*
- (b) Has been convicted of a felony or other crime involving moral turpitude;*
- (c) Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;*
- (d) Has had any permit revoked under the environmental laws of any state or the United States; or*
- (e) Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or*

*(2) The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.*

*All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review, recommendation or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification,*

consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26.”

I certify pursuant to 1-41-20, that as an applicant, officer, director, partner, or resident general manager of the activity or facility for which the application has been made that I; a) have not intentionally misrepresented a material fact in applying for a permit; b) have not been convicted of a felony or other crime of moral turpitude; c) have not habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage; (d) have not had any permit revoked under the environmental laws of any state or the United States; or e) have not otherwise demonstrated through clear and convincing evidence of previous actions that I lack the necessary good character and competency to reliably carry out the obligations imposed by law upon me. I also certify that this application does not substantially duplicate an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Further;

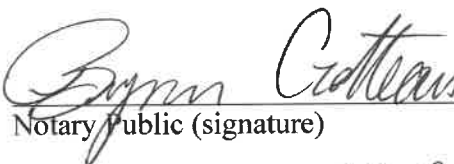
“I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.”

Dated this 17 day of April, 2024.

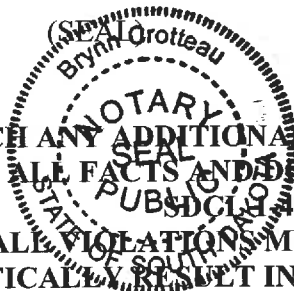
Applicant (print) Ken Nelson, General Mine Manager, Wharf Resources (USA), Inc.

  
Applicant (signature)

Subscribed and sworn before me this 17 day of April, 2024.

  
Notary Public (signature)

My commission expires: 03.28.2030



PLEASE ATTACH ANY ADDITIONAL INFORMATION NECESSARY TO DISCLOSE ALL FACTS AND DOCUMENTS PERTAINING TO PUBLIC LAW 11-20 (1) (a) THROUGH (e). ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION

## **Wharf Resources (USA) Inc.**

### LIST OF NOTICES OF VIOLATION

Seven Notices of Violation and one Order have been issued to Wharf Mine since 1983.

1. Notice of Violation issued 5/24/1984. Reason a. Wharf failed to install Hypalon liner in the Overflow Pond prior to use. b. Wharf failed to allow a minimum of 2 feet of freeboard in the ponds. c. Wharf failed to report the possible release of cyanide into the environment within 24 hours as required.
2. Cease and Desist Order issued 6/12/1984. Reason: Failed to comply with 5/24/1984 Notice of Violation and Order.
3. Two Notices of Violation issued 10/13/1995. Reason: From 8/21/1995 through 8/28/1995, Wharf discharged inadequately treated cyanide solution into Ross Valley and subsequently into Annie Creek. Two Notices of Violations were issued, one under mining and one under water pollution laws.
4. Notice of Violation issued 12/12/1997. Reason: Wharf exceeded the nitrate ground water standard in two shallow wells and the total cyanide limit in its surface water discharge permit for Ross Valley and Annie Creek.
5. Notice of Violation issued 5/31/2000. Reason: Wharf exceeded the selenium standard for Annie Creek, exceeded the ammonia standard for the outfall from Ross Valley denitrification facility and failed an acute whole effluent toxicity test in Ross Valley.
6. Notice of Violation issued 8/7/2001. Reason: Wharf exceeded the selenium standard for Annie Creek and had a failure of the Pregnant Pond Leak, Detection, Collection and Recovery System (LDCRS) causing process solution to be released into the environment.
7. Notice of Violation issued 1/28/2003. Reason: Wharf exceeded the ammonia standard for Annie Creek, the nitrate standard for Ross Valley ground water, and the nitrate and bacteria standards in the drinking water supply well.
8. Notice of Violation issued 3/20/2008. Reason: Wharf exceeded the Surface Water Discharge and Mining Permits standards 26 times between March 2005 and March 2008.

In preparing this reclamation plan, please address each item in detail, referencing SDCL 45-6C-8 and 45-6D-9. Please refer to the reclamation standards outlined in SDCL 45-6C-27 through 45-6C-34, SDCL 45-6D-33 through 45-6D-39, and the state's hole plugging regulations as detailed in ARSD 74:11.

1. Describe the type of reclamation the operator proposes to achieve in the reclamation of the affected land.

Reclamation will be generally accomplished using bulldozers and backhoe/loaders for earthwork, and either hydroseeding or broadcast/harrow seeding depending upon location and equipment access. Seed mixes approved for the Boston Expansion portion of the Wharf Mine will be used to insure consistency with existing county and state requirements and prior approval for these locations, topography and soil type.

2. Provide a proposed timetable for seeding and replanting indicating when and how the reclamation plan will be implemented. Such timetable shall be developed in consultation with the County District Conservationist as to the nature of the soils and native vegetation in the area of the proposed operation. These recommendations shall be followed, if any are provided, and copies of all correspondence shall be provided to the Department.

Reclamation will generally occur in the fall following the typical exploration season.

Drill sites and new access roads that have no future use will be reclaimed the same year. Sites and roads that are needed for re-entry and additional drilling at a later date, or other ancillary uses on private land will be reclaimed following those activities.

3. Describe how the reclamation plan will rehabilitate the affected land.

Reclamation activities are designed to return the land surface to approximate original topography, and seed mixes are designed for sustained success at this elevation to insure soil stability and forage/cover use for wildlife. Examples of previous success are located on other portions of the Wharf site.

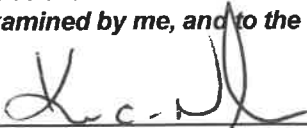
4. Describe the anticipated temporary and permanent plugging and capping procedures to be used. Please refer to SDCL 45-6C-28 through 45-6C-30, SDCL 45-6D-33 through 45-6D-35, and the state's hole plugging regulations as detailed in ARSD 74:11.

All drilling and plugging of exploration holes will be conducted by a certified drilling contractor and adhere to all applicable South Dakota laws and regulations.

5. Provide the estimated cost of implementing and completing the proposed reclamation, and, the estimated cost of plugging and sealing each test hole.

Hole plugging costs are covered under existing \$20,000.00 Wharf statewide surety.

*I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.*

  
\_\_\_\_\_  
Signature

Date: 4/17/2024

Title: General Mine Manager, Wharf Resources (USA), Inc.