



COEUR WHARF™
WHARF RESOURCES (USA) INC.

RECEIVED

JUN 13 2022

MINERALS & MINING PROGRAM

PAID

JUN 13 2022

Ck# _____

Rec't# \$50,000

June 9, 2022

Ms. Roberta Hudson
South Dakota Department of Agriculture
and Natural Resources
Office of Minerals and Mining
523 East Capitol Ave.
Pierre, SD 57501-3182

RE: Wharf Boston Expansion Large-Scale Mining Permit

Dear Ms. Hudson:

Wharf Resources (U.S.A.), Inc. is submitting an application for a large-scale mining permit on land immediately adjacent and south of the Wharf Mine in Lawrence County, South Dakota. The unique and scenic boundary for the new expansion area includes approximately 47.4 acres. New mining disturbance will affect approximately 48.2 acres.

Please find the following included with this application:

- One signed and notarized copy of the "Application for Mining/Milling Permit."
- One signed and notarized copy of the "Certification of Applicant."
- Permit application fee in the amount of \$50,000.
- Wharf Boston Expansion Project Mine Permit Application report (three volumes), including items required under SDCL 45-6B and ARSD 74:29.

Documentation from the Lawrence County Register of Deeds offices stating this information is on file for public viewing will be provided, when available. Electronic copies of the permit documents were also sent to the following: S.D. Department of Health, S.D. Archaeological Research Center, S.D. State Historical Society, S.D. Department of Tourism and State Development, S.D. Department of Education and Cultural Affairs, S.D. Department of Game, Fish, & Parks, and the Lawrence County Conservation District. Proof of submission will be provided to the SD DANR when available. If you have any questions or require further information, please contact me at 605.584.4177.

Sincerely,

Ken Nelson
Mine General Manager

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
JUN 13 2022
MINERALS & MINING PROGRAM

LARGE SCALE MINING/MILLING PERMIT

Pursuant to SDCL 45-6B and ARSD 74:29

Relating to The Extraction and Processing of Minerals in
Operations Affecting More Than 10 Acres and/or
Removing over 25,000 Tons Per Year or For Operations
Utilizing Cyanide Leaching or Other Chemical or Biological
Leaching Agents

Operator's name: Wharf Resources (U.S.A.), Inc.

General office address: 10928 Wharf Road
Lead, South Dakota, 57754

Telephone: 605.584.1441

Local mailing address: Same as office address.

Telephone: Same as office telephone.

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

Resident agent address: 319 S. Coteau Street
Pierre, South Dakota 57501

Resident agent telephone: 605.224.5826

Legal description of affected land: Portions of Sections 2 and 3, Township 4 North, Range 2 East

County: Lawrence

Name and address of surface owner:

Wharf Resources (U.S.A.), Inc.
10928 Wharf Road
Lead, South Dakota 57754

Name and address of mineral owner:

Excluding Precambrian: Wharf Resources (U.S.A.), Inc.
Precambrian: Wharf Resources (U.S.A.), Inc. - 50% and
Homestake Mining Company of CA - 50%
11457 Bobtail Gulch Street
Lead, South Dakota 57754

Minerals to be extracted or milled, or both: gold, silver

Proposed starting date: summer 2022

Proposed completion date: 2030

Size of area (acres) to be worked at any one time: 50

Estimated working days per year: 365

Estimated tons of ore per year: 1-1.5MT

Estimated overburden/waste tons per year: 4-5MT

Estimated total tonnage per year: 5-6.5 MT

See Section 2.4 and Appendix C.

Include a copy of your source of legal right to enter and initiate operations: ☐ Lease ☐ Letter ☐ USFS Permit

Include a copy of your source of legal right to dispose of tailings: ☐ Lease ☐ Letter ☐ USFS Permit

See Section 5.4.

INSTRUCTIONS:

Please reference SDCL 45-6B and ARSD 74:29. This large scale mining/milling permit must be accompanied by:


1. A narrative description of the methods of mining and milling to be employed per Section 6(8).
2. A reclamation plan pursuant to Section 7.
3. A map of the affected area pursuant to Section 10.
4. A fee of \$1,000 payable to the Department of Agriculture and Natural Resources pursuant to Section 14. For precious metals, coal, or uranium, a fee of \$50,000 payable to the Department of Agriculture and Natural Resources is required.
5. A map clearly depicting all surface and mineral owners of the affected land pursuant to Section 10 and ARSD 74:29:02:03.
6. Proof of compliance with all local and county zoning ordinance requirements pursuant to Section 4 and ARSD 74:29:02:02.

Before a hearing on this large scale mining/milling permit can be conducted by the SD Board of Minerals and Environment, the operator must submit the following:

1. Certified mail receipts confirming mailing of notice to all surface owners and lessees pursuant to Section 17.
2. A copy of the affidavit of publication of notice pursuant to Section 16.
3. Proof of filing a copy of the large scale mining/milling permit with the Register of Deeds pursuant to Section 15.
4. A surety in an amount to be determined by the department pursuant to Section 20.
5. A copy of instruments of consultation from all surface landowners, if different than the owner of the minerals, including written receipt of the operating and reclamation plans pursuant to Section 12 and 13.

Applicant affirms that the mining or milling will be conducted pursuant to SDCL 45-6B or any regulations promulgated thereunder, that he will grant access to the SD Board of Minerals and Environment or its agents to the area under this large scale mining/milling permit from the date of application and during the life of the permit as necessary to assure compliance with SDCL 45-6B.

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:

12/2/21

Title:

General Manager

STATE OF

South Dakota

COUNTY OF

Lawrence

On this

2nd

day of

December

2021

, before me personally appeared

Ken Nelson

, who acknowledged himself to be the

General Manager

(Title)

for Wharf Resources (U.S.A.), Inc. and that he is authorized to execute the Large Scale Mining/
(Operator)

Milling Permit for the purposes contained therein.



Notary Public

My Commission Expires:

5-1-2026

SEAL



FOR DEPARTMENT USE ONLY

DATE APPROVED: BOND AMOUNT: PERMIT NUMBER:

Chairman, SD Board of Minerals & Environment

STATE OF SOUTH DAKOTA
BEFORE THE SECRETARY OF

THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

IN THE MATTER OF THE)
APPLICATION OF)

Wharf Resources, Inc. (U.S.A.))

CERTIFICATION OF

STATE OF South Dakota)

APPLICANT

COUNTY OF Lawrence)

I, Kew 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 2 day of December, 20 21.

Applicant (print) Ken Nelson


Applicant (signature)

Subscribed and sworn before me this 2nd day of December, 20 21.


Notary Public (signature)

My commission expires: 5-1-2026

(SEAL)



**PLEASE ATTACH ANY ADDITIONAL INFORMATION NECESSARY TO DISCLOSE
ALL FACTS AND DOCUMENTS PERTAINING TO
SDCL 1-41-20 (1) (a) THROUGH (e).
ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT
AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION**

BUFFER ZONE WAIVER

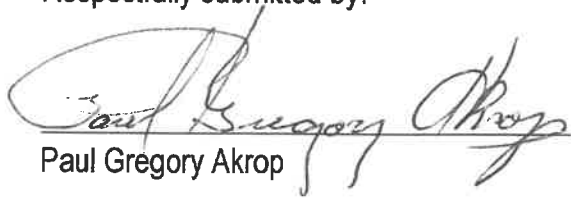
RE: Wharf Resources (U.S.A.), Inc. expansion – CUP # _____ dated _____.

I/We, are the owner(s) of the following described real property:

**Lot W-1, formerly known as Lot W, a subdivision of the Whale Lode, M.S.
1139 and Last Chance Lode, M.S. 1205, as shown on Plat Document Number
2004-4531, located in the NW/4, Section 2, T4N, R2E, B.H.M., Lawrence
County, South Dakota.**

I/We hereby waive the five hundred foot (500') buffer zone required by Lawrence County Extractive Industry Conditional Use Permits Ordinance 11-20.030(A) between disturbed land and my/our above-described real property.

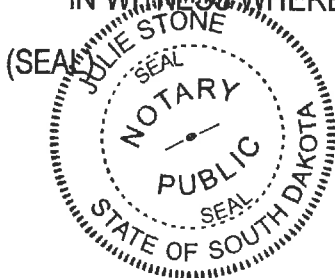
Respectfully submitted by:

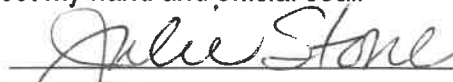

Paul Gregory Akrop

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF LAWRENCE)

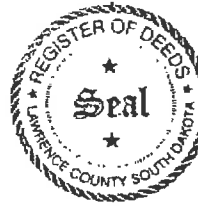
On this 9th day of September, 2021, before me, the undersigned officer, personally appeared Paul Gregory Akrop, known to me or satisfactorily proven to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.




Notary Public
My commission expires: 5-1-2026

Prepared By and Recorded at the Request of
Wharf Resources (U.S.A.), Inc.
Attn. James F. Lessard
10928 Wharf Road
Lead, South Dakota 57754
(605) 584-4171



Doc#: 2004-04993
Recording Fee: \$ 12
Date: 07/30/2004 Time: 14:52
Lawrence County
Register of Deeds

Sherry Green
Deputy

TRANSFER FEE PAID \$ 2.50
R#04-5753

QUIT-CLAIM DEED

WHARF RESOURCES (U.S.A.), INC., a Colorado corporation, Grantor, of 10928 Wharf Road, Lead, South Dakota 57754, in consideration of \$2,500.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey and quitclaim unto Grantee, PAUL GREGORY AKROP having a mailing address of 98 Charles Street, Deadwood, South Dakota 57732 all of Grantor's right, title and interest in and to the surface estate only of the property more particularly described as follows:

Lot W-1, formerly known as Lot W, a subdivision of the Whale Lode of Mineral Survey 1139 and the Last Chance Lode of Mineral Survey 1205, as described in the plat recorded as Document No. 2004-4531, located in the Northwest ¼ of Section 2, T. 4 N., R. 2 E., BHM, Lawrence County, South Dakota.

Total area conveyed is 1.45 acres, more or less.

Subject to prior easements and agreements of record.

Grantor expressly excepts from this conveyance and does not convey by this Deed any right, title, or interest in the minerals in, on, or under the foregoing Property, in whatever form or character, together with the right to explore for, develop, mine or reclaim such minerals, along with the right to use so much of the surface of the Property as is reasonable and necessary in connection with such activities.

Dated this 30th day of JULY, 2004.


WHARF RESOURCES (U.S.A.), INC.

By: *John A. Begeman*
John A. Begeman
Vice President, Western Operations

STATE OF SOUTH DAKOTA)
) ss.
COUNTY OF LAWRENCE)

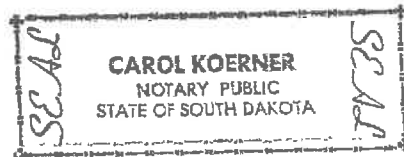
On this the 30TH day of JULY, 2004, before me, the undersigned officer, personally appeared John A. Begeman, who acknowledged himself to be the Vice President, Western Operations, of Wharf Resources (U.S.A.), Inc., and that he, as such Vice President, Western Operations, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President, Western Operations.

In witness whereof, I hereunto set my hand and official seal.


Notary Public, South Dakota

My commission expires: 05-26-05

(seal)



BUFFER ZONE WAIVER

RE: Wharf Resources (U.S.A.), Inc. expansion – CUP # _____ dated _____.

I/We, are the owner(s) of the following described real property:

Lot A, subdivision of the May Queen Lode, M.S. 1040, located in Section 2, T4N, R2E, B.H.M., Lawrence County, South Dakota, as shown in Plat Book 7, Page 30, B.H.M., and

Bristol Fraction, M.S. 915, located in Section 2, T4N, R2E, B.H.M., Lawrence County, South Dakota.

I/We hereby waive the five hundred foot (500') buffer zone required by Lawrence County Extractive Industry Conditional Use Permits Ordinance 11-20.030(A) between disturbed land and my/our above-described real property.

Respectfully submitted by:

WESTERN COMMUNICATIONS, INC.

3106 Cambell St. Rapid City, SD 57701

BY:  Michael A. Lees

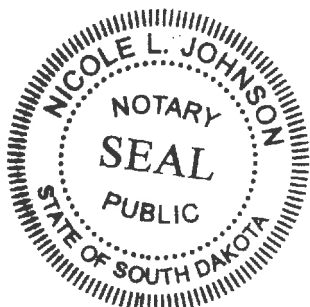
ITS: President

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF LAWRENCE)

On this 14 day of October, 2021, before me, the undersigned officer, personally appeared Michael A. Lees, known to me or satisfactorily proven to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(SEAL)




Notary Public

My commission expires: 05/19/2023

Prepared By:

Bennett Main Gubbrud & Willert, P.C.
618 State Street
Belle Fourche, SD 57717
605.892.2011



Doc #: 2021-11290
Date: 12/7/2021 2:41:05 PM
Davida D. Hansen
Lawrence County Register of Deeds
Fee: \$ 30.00

BUFFER ZONE WAIVER AND INDEMNITY AGREEMENT

RE: Wharf Resources (U.S.A.), Inc. ("Wharf") expansion – CUP #470.

Terry Valley-Trojan Water Project District ("District"), is the owner of the following described real property:

Lot 1 Revised of Lot A, formerly Lot 1 of Lot A of the Clarence Lode, M.S., 2021, located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 2, T4N, R2E, B.H.M., Lawrence County, South Dakota, as shown on Plat Document 2005-3472.

The District hereby waives two hundred twenty-five feet (225') of the five hundred foot (500') buffer zone required by Lawrence County Extractive Industry Conditional Use Permits Ordinance 11-20.030(A) between disturbed land and the above-described real property. This waiver leaves a two hundred seventy-five foot (275') buffer zone between disturbed land and the above-described real property.

Wharf hereby indemnifies and holds District harmless from any damages, loss, liability, injury, or any claim therefore, to persons, property, natural resources and the environment, caused by Wharf's mine operations. This indemnity and hold harmless applies to damage to District improvements located on the above-described real property.

**TERRY VALLEY-TROJAN WATER
PROJECT DISTRICT**

WHARF RESOURCES (U.S.A.), INC.

By: Janell Berg

Printed Name: Janell Berg

Its: Chairperson

By: John Key 12/7/21
~~KEN NELSON~~, Mine General Manager
John Key



STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF LAWRENCE)

On this 7th day of December, 2021, before me, the undersigned officer, personally appeared Janell Berg, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Linda Derosier
Notary Public
My commission expires: 11-2-22

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF LAWRENCE)

On this 7th day of December, 2021, before me, the undersigned officer, personally appeared ~~KEN NELSON~~ John Key, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Julie Stone
Notary Public
My commission expires: 5-1-2026





**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

**NOTICE OF DETERMINATION OF
SPECIAL, EXCEPTIONAL, CRITICAL, OR UNIQUE LANDS
WHARF RESOURCES (USA) INC**

The Department of Agriculture and Natural Resources has made its determination regarding a Notice of Intent to Operate and Request for Determination of Special, Exceptional, Critical, or Unique Lands from Wharf Resources (USA) Inc., 10928 Wharf Rd, Lead, South Dakota 57754. The Notice of Intent to Operate was submitted as required under ARSD 74:29:10 for purposes of requesting the department to determine whether the lands potentially affected by the mining operation are eligible for inclusion on the preliminary list of special, exceptional, critical, or unique lands.

The proposed operation involves a 47.4-acre expansion of Wharf Resources (USA) Inc.'s existing gold mining operation on land approximately four miles west of Lead, South Dakota. Topsoil and subsoil will be stripped and stockpiled for use in concurrent and future reclamation activities. Ore will be processed through cyanide heap leach methods before being treated and used along with waste rock as backfill in the mine pits. Reclamation will be conducted concurrently with the mining operation. The proposed postmining land use is woodland grazing and recreation.

In accordance with ARSD 74:29:10:08 and 74:29:10:09, the department has determined that the lands described in the Notice of Intent to Operate do not constitute special, exceptional, critical, or unique lands. This determination is based on the on-site inspection of the proposed lands to be affected, examination of the established preliminary list, consultation with other agencies, and evaluating information provided with the Notice of Intent to Operate. In addition, no nominating petitions pertaining to the lands described in the Notice of Intent were filed with the department.

The lands described in the Notice of Intent to Operate are considered cleared from special, exceptional, critical, or unique characteristics in accordance with ARSD 74:29:10:15. This clearance will remain in effect for seven years. If a mine permit application is not submitted within the seven-year period, the Board of Minerals and Environment may declare the clearance void and the lands may be reevaluated.

Wharf Resources (USA) Inc. may appeal the department's determination by filing a petition for a contested case hearing pursuant to SDCL 1:26 within seven days after receipt of the determination. The hearing on the appeal shall be confined to the determination of the lands as special exceptional, critical, or unique and whether an environmental impact statement and socioeconomic study will be required.

Persons desiring further information may contact Roberta Hudson, Minerals and Mining Program, at (605) 773-4201.

Hunter Roberts
Secretary
Department of Agriculture and Natural Resources

May 6, 2022

CONDITIONAL USE PERMIT

CUP# 00000470

LAWRENCE COUNTY OFFICE OF
PLANNING & ZONING
DEADWOOD, SOUTH DAKOTA 57732

This Conditional Use Permit granted this day to WHARF RESOURCES (U.S.A.) INC (WHARF RESOURCES (U.S.A.) INC) on recommendation of the Lawrence County Planning Board and the Lawrence County Commission; and upon the results of the required public hearing(s).

Said Conditional Use Permit is intended to be used for the specific use herein. Any other use of this Conditional Use Permit is in violation of Lawrence County Ordinance and the violator is subject to the penalties set forth in said Ordinance.

Parcel #: 00000-00000-000-00

Location: WHARF MINE

911 Add: 10928 WHARF ROAD
LEAD, SD 57754

Legal Desc: MULTIPLE PARCELS IN SECTIONS 2 & 3, T4N, R2E (view portions of the M.S Lodes map in the Planning & Zoning Official file in the office or online at <https://www.lawrence.sd.us/CivicAlerts.aspx?CID=1> B.H.M., LAWRENCE CO., SD

Type of Permit: LARGE SCALE MINE

Present Zoning Dist.: PF AND SRD

Signature of Property Owner:

Signature of Administrative Official:



Amber A. Vogt, Director
Lawrence County Planning and Zoning

Date Granted: 1/25/2022

REQUEST FOR CONDITIONAL USE PERMIT

LAWRENCE COUNTY OFFICE OF
PLANNING & ZONING
DEADWOOD, SOUTH DAKOTA 57732

11/19/2021
CUP# 00000470

Parcel #: 00000-00000-000-00

Name: WHARF RESOURCES (U.S.A.) INC
Applicant: WHARF RESOURCES (U.S.A.) INC

911 Address: 10928 WHARF ROAD
LEAD, SD 57754

Location: WHARF MINE

Type of Permit: LARGE SCALE MINE

Legal Desc: MULTIPLE PARCELS IN SECTIONS 2 & 3, T4N, R2E (view portions of the M.S Lodes map in the Planning & Zoning Official file in the office or online at <https://www.lawrence.sd.us/CivicAlerts.aspx?CID=1> B.H.M., LAWRENCE CO., SD

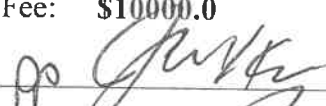
Present Zoning: PF AND SRD

Names of Property Owners with 500' of subject property:

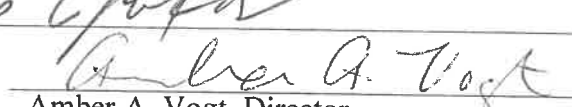
See Exhibit 'A'

Fee: \$10000.0

Receipt #: MR-21-0002738

Signature of Petitioner: 

Signature of Property Owner: 

Signature of Administrative Official: 

Amber A. Vogt, Director
Lawrence County Planning and Zoning

Public Hearing Date Scheduled:

01/06/2022 at 1:30 p.m. and 01/25/2022 at 9:00 a.m.
(or as soon thereafter as may be heard)

Legal Note Published: DEC 23, 2021 and JAN 15, 2022

Notice of Hearing Posted on Road Frontage Property:

12/27/2021

Recommendations of Planning Commission: Approval ☒ Denial ☐
(Reasons attached) Date 01/06/2022

Recommendations of County Commission: Approval ☒ Denial ☐
(Reasons attached) Date 1/25/22