7067

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

January 20, 2016

Joseph Giraudo
Barrik Resources (USA) Inc.
c/o Barrick Gold of North America
2270 Corporate Circle, Suite 100
Henderson, Nevada 89074

Subject: Approval of Amended Notice of Intention to Commence Large Mining Operations, Barrick Resources USA, Inc., Mercur Mine, M/045/0017, Tooele County, Utah

Dear Mr. Giraudo:

The Division of Oil, Gas and Mining approves the amended Notice of Intention to Commence Large Mining Operations (NOI) for the Mercur mine. Although the Division finds the reclamation cost estimate acceptable, **any change to the amount of liability must be approved by the Board of Oil, Gas and Mining**. The Board retains authority to release, partially release, revise, or adjust the surety amount.

The approval or acceptance of a complete NOI does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the amendment to the NOI stamped approved.

The amendment received on December 23, 2015, updates the reclamation cost estimate until 2020. In summary the amendment includes the following:

- Two figures – Drawings 1 and 2 which have been updated and added to the binder containing the other figures.
- Updated replacement pages to the reclamation plan
- CD with the SRCE Cost Estimator Model
- The bond summary sheet which notes a five-year escalation and a reclamation cost estimate of $3,357,447. The current contract with the Board of Oil, Gas and Mining is for a reclamation liability of $4,766,352. No release has been requested. Any actual release of reclamation liability must be approved by the Board.

1594 West North Temple, Suite 1210, Salt Lake City, UT 84116
PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

The Division's web page at http://ogm.utah.gov under the Minerals Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation.

In reply, please refer to file number M/045/0017. If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB: lah: eb
Enclosure: Copy of approved pages
P:\GROUPS\MINERALS\WP\M045-Tooele\M0450017-MercurMine\final\AMEND-7067-01072016.doc