



Catherine B. Templeton, Director

Promoting and protecting the health of the public and the environment

October 23, 2014

Haile Gold Mine Inc
7283 Haile Gold Mine Rd
Kershaw SC 29067

Re: Certification in Accordance with Section 401 of the Clean Water Act, as amended.

Haile Gold Mine Inc
Construct and operate a gold mine
Haile Gold Mine Creek, Camp Branch Creek, unnamed tributaries, & adjacent wetlands
Lancaster County
P/N SAC 1992-24122-41A

Dear Sir or Madam:

South Carolina Department of Health and Environmental Control (Department) staff have reviewed plans for this project and determined there is a reasonable assurance that the proposed project will be conducted in a manner consistent with the Certification requirements of Section 401 of the Federal Clean Water Act, as amended. In accordance with the provisions of Section 401, we certify that this project, subject to the indicated conditions, is consistent with applicable provisions of Section 303 of the Federal Clean Water Act, as amended. We also hereby certify that there are no applicable effluent limitations under Sections 301(b) and 302, and that there are no applicable standards under Sections 306 and 307.

This certification is subject to the following conditions:

1. Necessary measures must be taken to prevent oil, tar, trash, debris, and other pollutants from entering the adjacent waters or wetlands, and offsite areas.
2. The permittee shall maintain a 50-foot buffer around otherwise non-affected wetlands and streams within the project boundary as non-disturbance buffers that would not be altered from the existing condition. The permittee recognizes that the maintenance of the 50-foot vegetated buffer was a deciding factor toward the favorable decision on the 401 Water Quality Certification. The permittee has also voluntarily proposed to establish an additional buffer, up to 50 feet beyond the edge of the mandatory buffer, where practicable.
3. The permittee must provide courtesy notification to the USEPA and the SCDNR in the event of a significant or ongoing water quality exceedance.
4. The permittee must design and install a low-flow structure on the Ledbetter Pit Lake if future groundwater modeling predictions using depressurization data indicate that such a structure will be necessary to maintain flows to Haile Gold Mine Creek downstream of Ledbetter Pit Lake once the pit lake is filled.

5. The permittee must monitor and manage the Ledbetter Pit Lake in accordance with the adaptive management plan proposed in Haile Gold Mine, Inc.'s June 9, 2014, letter.
6. The permittee must perform annual macroinvertebrate biological assessments in accordance with the conditions of NPDES Permit Number SC0040479.
7. The permittee must perform late spring fish population surveys in the Little LYNCHES River, in accordance with the September 2014 "Haile Gold Mine Monitoring and Management Plan," or any subsequent, USACE- and SCDHEC-approved revisions. Fish population survey results must be submitted to the USACE, the SCDHEC, and the NMFS.
8. The permittee must finalize and submit a USACE- and SCDHEC-approved "Groundwater and Surface Water Monitoring Plan" within three (3) months of 401 Water Quality Certification issuance, and perform the monitoring as described in the final, approved monitoring plan, or any subsequent USACE- and SCDHEC-approved revisions. Monitoring results must be submitted to the USACE, the USEPA, and the SCDHEC annually.
9. The permittee must finalize and submit a USACE- and SCDHEC-approved "Wetland and Stream Monitoring Plan" within three (3) months of 401 Water Quality Certification issuance, and perform the monitoring as described in the final, approved monitoring plan, or any subsequent USACE- and SCDHEC-approved revisions. Monitoring results must be submitted to the USACE, the USEPA, and the SCDHEC annually.
10. The permittee must provide compensatory mitigation for unavoidable impacts to Waters of the United States in accordance with the "Haile Gold Mine Mitigation Plan", dated July 9, 2013, or any subsequent revisions approved by the USACE and the SCDHEC.
11. The permittee shall comply with the effluent discharge limitations and all other conditions of NPDES Permit No. SC0040479.
12. The permittee shall comply with the NPDES General Stormwater Permit for Industrial Activity (SCR004763) and the Stormwater Pollution Prevention Plan developed for this site.
13. The permittee shall operate and manage the Haile Gold Mine in compliance with all conditions of Mine Operating Permit No. I-000601, and any modifications thereof.
14. The permittee must maintain a weak acid dissociable (WAD) cyanide concentration of ≤ 50 parts per million within the tailings stream.

The Department reserves the right to impose additional conditions on the Certification to respond to unforeseen, specific problems that might arise and to take any enforcement action to ensure compliance with State water quality standards.

Sincerely,

A handwritten signature in cursive script that reads "Heather Preston".

Heather Preston, Director
Division of Water Quality
Bureau of Water

cc: US Army Corps of Engineers
Charleston District Office
Midlands EQC District Office- Lancaster County