PERMIT TO APPROPRIATE WATER
LAS 31868

The State of Alaska, acting by and through the Department of Natural Resources, Division of Mining, Land and Water, 3700 Airport Way, Fairbanks, Alaska, 99709-4699, hereinafter referred to as the grantor, under AS 46.15, the Alaska Water Use Act, and the regulations adopted under it, grants to:

Hecla Greens Creek Mining Company
PO Box 32199
Juneau, Alaska 99801

The right to develop the following use of water:

SOURCE: Tailings Facility Groundwater Collection System (TFGCS)

QUANTITY: 68 Acre Feet per Year
PERIOD: January 1 through December 31
USE: Mining and Milling (with eventual water treatment and discharge to Hawk Inlet)

With a PRIORITY DATE of June 7, 2017.

The location of this water source:

The TFGCS (associated with the Tailings Facility for the Greens Creek Mine) located within the below-described parcel of land.

The location to which this appropriation is appurtenant:

USDA Forest Service Lease for Mining Purposes, as described by Record of Survey HECLA GREENS CREEK MINE LEASE BOUNDARY, Plat No. 2014-34 filed in the Juneau Recording District, First Judicial District, State of Alaska, subject to amendments, reservations, and exceptions of record. Said Plat lease boundary located within Sections 22, 23, 26, and 27, Township 43 South, Range 65 East, Copper River Meridian.

Changes in the natural state of water are to be made in the manner and only for the purposes stated in this permit. This permit is subject to the pertinent statutory provisions in AS 46.15,
Administrative Regulations in 11 AAC 93, and the following conditions:

The holder of this Permit shall comply with the following conditions:

1. This permit does not authorize the permittee to enter upon any lands until proper rights-of-way, easements, or permission documents from the appropriate landowner have been obtained.

2. Follow acceptable engineering standards in exercising the right granted by this permit.

3. Comply with all applicable laws, regulations, and conditions.

4. Except for claims or losses arising from negligence of the State, defend and indemnify the State, the State’s agents, and the State’s employees against and hold each of them harmless from any and all claims, demands, legal actions, loss, liability, and expense, including attorney fees, for injury to or death of persons and damages to or loss of property arising out of or connected with the exercise of the right granted by this permit.

5. Notify the grantor of any change of address, transfer of any real property identified in this permit, or proposed change in the water appropriation.

6. Notify the ADNR Water Resources prior to any significant alterations to the proposed scope of work as described in the Application for Water Right received by our office.

7. Allow grantor’s authorized representatives to inspect, at reasonable times, any facilities, equipment, practices, or operations regulated or required under this permit.

8. Establish a metering system acceptable to the Department and submit monthly water use records on an annual basis to ADNR Water Resources Section, 3700 Airport Way, Fairbanks, Alaska 99709 and via email to dnr.water.reports@alaska.gov.

9. Per 11 AAC 05.260(e), an annual administrative service fee shall be assessed on this permit.

This permit shall EXPIRE on: January 8, 2030.

This Permit to Appropriate Water is issued by authority of AS 46.15.080 and 11 AAC 93.120 on:

[Signature]
Date

Michael Walton, Natural Resource Manager II
Name/Title

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; faxed to 907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources. Under 11 AAC 02.030, appeals and requests for
reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at $200 under the provisions of 11 AAC 05.160 (a) and (b).