

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME DIVISION OF HABITAT

SEAN PARNELL, GOVERNOR

1300 COLLEGE ROAD
FAIRBANKS, AK 99701-1551
PHONE: (907) 459-7289
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FISH HABITAT PERMIT FH05-III-0072 Amendment No. 2

ISSUED: March 29, 2005
Amendment No. 1 Issued: April 18, 2008
Amendment No. 2 Issued: March 2, 2010
EXPIRES: December 31, 2015

Ms. Jennifer L. Saran
Environmental Affairs Manager
Hecla Greens Creek Mining Company
P.O. Box 32199
Juneau, AK 99803-2199

Dear Ms. Saran:

RE: Water Withdrawal
Various Tributaries to Greens Creek and to Fowler Creek
Various Sec., T43SR65E, T43SR66E, T44SR65E, T44SR66E, CRM; Juneau Quad

Pursuant to AS 16.05.841, the Alaska Department of Fish and Game (ADF&G), Division of Habitat has reviewed your request of March 2, 2010 for a time extension of Fish Habitat Permit FH05-III-0072 Amendment No. 1, with no changes to project scope or withdrawal sites. You propose to withdraw 100,000 gallons of water per day (0.15 cubic feet per second) from the following locations:

Greens Cr. tributaries (names locally known as):

- Killer Cr. in Sec. 32, T43S, R66E; & Sec. 5, T44S, R66E
- Bruin Cr. in Sec. 4 & 5, T44S, R66E
- Cub Cr. in Sec. 33, T43S, R66E; & Sec. 4, T44S, R66E
- unnamed stream in Sec. 4, T44S, R66E
- Boundary Cr. in Sec. 4, T44S, R66E
- Cliff Cr. in Sec. 3 & 10, T44S, R66E
- Big Sore Cr. in Sec. 9, 10, 15, & 16, T44S, R66E
- Portal Cr. in Sec. 9, T44S, R66E
- Gallagher Cr. in Sec. 8, 9, & 16, T44S, R66E
- unnamed stream in Sec. 8, T44S, R66E
- Talus Cr. in Sec. 8, T44S, R66E

unnamed stream in Sec. 7, T44S, R66E & Sec. 12, T44S, R65E
Cascade Cr. in Sec. 2, T44S, R65E
Lower Zinc Cr. in Sec. 1, T44S, R65E & Sec. 35 & 36, T43S, R65E
unnamed stream in Sec. 35, T43S, R65E

Fowler Cr. tributaries (names locally known as):

unnamed stream in Sec. 1 & 2, T43S, R65E
unnamed stream in Sec. 11, T43S, R65E
Fulto Cr. in Sec. 19 & 30, T43S, R66E; & Sec. 13 & 24, T43S, R65E
Lil' Sore Cr. in Sec. 18, 19, & 30, T43S, R66E
East Lil' Sore Cr. in Sec. 18, T43S, R66E

Approximately 66,000 gallons per day will be used for mineral exploration; about 44,000 gallons per day will be used for road dust control. Up to three drill sites may be operational and require water at any one time. Water for dust control will be drawn from one or more of the listed streams.

Most of the identified tributary streams to Greens Creek and Fowler Creek are believed to be upstream of the stream reaches frequented by fish. However, several of the tributary streams were documented to support resident and/or anadromous fish species during development of the Greens Creek Tailings EIS. Based upon our review of your plans, your proposed project should not obstruct the efficient passage and movement of fish if pump water intake structures are properly sized and screened. In accordance with AS 16.05.841, project approval is hereby given subject to the following stipulation:

- (1) In all streams supporting resident and/or anadromous fish species, the water intake structure shall be designed to prevent fish entrapment, entrainment, or injury. The effective screen opening may not exceed ¼ inch; maximum water velocity at the screen/water interface may not exceed 0.5 feet per second when the pump is operating.

For the purpose of inspecting or monitoring compliance with any condition of this permit, the permittee shall give an authorized representative of the state free and unobstructed access, at safe and reasonable times, to the permit site. A permittee shall furnish whatever assistance and information as the authorized representative reasonably requires for monitoring and inspection purposes.

The permittee is responsible for the actions of contractors, agents, or other persons who perform work to accomplish the approved plan. For any activity that significantly deviates from the approved plan, the permittee shall notify the Division of Habitat and obtain written approval in the form of a permit amendment before beginning the activity. Any action taken by the permittee, or an agent of the permittee, that increases the project's overall scope or that negates, alters, or minimizes the intent or effectiveness of any stipulation contained in this permit will be deemed a significant deviation from the approved plan. The final determination as to the significance of any deviation and the need for a permit amendment is the responsibility of the

Division of Habitat. Therefore, it is recommended that the Division of Habitat be consulted immediately when a deviation from the approved plan is being considered.

This letter constitutes a permit issued under the authority of AS 16.05.841 and must be retained on site during construction. Please be advised that this approval does not relieve you of the responsibility of securing other permits, state, federal, or local.

This permit provides reasonable notice from the Commissioner that failure to meet its terms and conditions constitutes violation of AS 16.05.861; no separate notice under AS 16.05.861 is required before citation for violation of AS 16.05.841 can occur.

In addition to the penalties provided by law, this permit may be terminated or revoked for failure to comply with its provisions or failure to comply with applicable statutes and regulations. The Division of Habitat reserves the right to require mitigation measures to correct disruption to fish and game created by the project and which was a direct result of the failure to comply with this permit or any applicable law.

The recipient of this permit (permittee) shall indemnify, save harmless, and defend the Division of Habitat, its agents and its employees from any and all claims, actions, or liabilities for injuries or damages sustained by any person or property arising directly or indirectly from permitted activities or the permittee's performance under this permit. However, this provision has no effect, if, and only if, the sole proximate cause of the injury is the Division of Habitat's negligence.

Please be advised that this determination applies only to activities regulated by Division of Habitat; other agencies also may have jurisdiction under their respective authorities. This determination does not relieve you of the responsibility for securing other permits, state, federal, or local. You are still required to comply with all other applicable laws.

Sincerely,

Denby S. Lloyd, Commissioner



BY: Robert F. "Mac" McLean, Regional Supervisor
Division of Habitat
Alaska Department of Fish and Game

ecc: Al Ott, ADF&G HAB, Fairbanks
Jackie Timothy, ADF&G HAB, Juneau
Dan Bussard, ADNDR DMLW, Juneau

RFM/jdd

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF HABITAT MANAGEMENT & PERMITTING

SARAH PALIN, GOVERNOR

1300 COLLEGE ROAD
FAIRBANKS, ALASKA 99709-1551
PHONE: (907) 459-7289
FAX: (907) 456-3091

FISH HABITAT PERMIT **FH05-III-0072 Amendment #1**

ISSUED: April 18, 2008
EXPIRES: December 31, 2010

Ms. Jennifer L. Saran
Environmental Affairs Manager
Hecla Greens Creek Mining Company
P.O. Box 32199
Juneau, AK 99803-2199

Dear Ms. Saran:

RE: Water Withdrawal
Various Tributaries to Greens Creek and to Fowler Creek
Various Sec., T43SR65E, T43SR66E, T44SR65E, T44SR66E, CRM; Juneau Quad

Pursuant to Alaska Statute 41.14.840 the Alaska Department of Natural Resources, Office of Habitat Management and Permitting (OHMP) has reviewed the March 26, 2008 request from Hoffman Silver Gilman and Blasco for assignment of the referenced fish habitat permit from Kennecott Greens Creek Mining Company to Hecla Greens Creek Mining Company.

In accordance with AS 41.14.840 (Fishway Act), the requested assignment is hereby given. All other aspects of Fish Habitat Permit FH05-III-0072 remain valid and in effect.

Sincerely,

Dick LeFebvre, Deputy Commissioner

/s/ Robert F McLean

BY: Robert F. McLean, Area Manager
Office of Habitat Management and Permitting

ecc: Al Ott, ADNR OHMP, Fairbanks
Jackie Timothy, ADNR OHMP, Juneau

Bill Oelklaus, HGCMC, Juneau
Paul Hoffman, HSGB, Juneau

RFM/jdd

“Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans.”

STATE OF ALASKA

**FRANK H. MURKOWSKI,
GOVERNOR**

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF HABITAT MANAGEMENT AND PERMITTING

1300 COLLEGE RD.
FAIRBANKS, AK 97701
PHONE: (907) 459-7289
FAX: (907) 456-3091

FISH HABITAT PERMIT FH05-III-0072

ISSUED: March 29, 2005
EXPIRES: December 31, 2010

Mr. William Oelklaus
Environmental Manager
Kennecott Greens Creek Mining Company
P.O. Box 32199
Juneau, AK 99803-2199

Dear Mr. Oelklaus:

RE: Water Withdrawal; Greens Creek Mine; Various Locations.

Pursuant to AS 41.14.840, the Alaska Department of Natural Resources (ADNR), Office of Habitat Management and Permitting (OHMP) has reviewed your proposal to withdraw 100,000 gallons of water per day (0.15 cfs) from the following locations:

Greens Cr. tributaries (names locally known as):

- Killer Cr. in Sec. 32, T43S, R66E; & Sec. 5, T44S, R66E
- Bruin Cr. in Sec. 4 & 5, T44S, R66E
- Cub Cr. in Sec. 33, T43S, R66E; & Sec. 4, T44S, R66E
- unnamed stream in Sec. 4, T44S, R66E
- Boundary Cr. in Sec. 4, T44S, R66E
- Cliff Cr. in Sec. 3 & 10, T44S, R66E
- Big Sore Cr. in Sec. 9, 10, 15, & 16, T44S, R66E
- Portal Cr. in Sec. 9, T44S, R66E
- Gallagher Cr. in Sec. 8, 9, & 16, T44S, R66E
- unnamed stream in Sec. 8, T44S, R66E
- Talus Cr. in Sec. 8, T44S, R66E
- unnamed stream in Sec. 7, T44S, R66E & Sec. 12, T44S, R65E
- Cascade Cr. in Sec. 2, T44S, R65E
- Lower Zinc Cr. in Sec. 1, T44S, R65E & Sec. 35 & 36, T43S, R65E

unnamed stream in Sec. 35, T43S, R65E

Fowler Cr. tributaries (names locally known as):

unnamed stream in Sec. 1 & 2, T43S, R65E

unnamed stream in Sec. 11, T43S, R65E

Fulto Cr. in Sec. 19 & 30, T43S, R66E; & Sec. 13 & 24, T43S, R65E

Lil' Sore Cr. in Sec. 18, 19, & 30, T43S, R66E

East Lil' Sore Cr. in Sec. 18, T43S, R66E

Approximately 66,000 gallons per day will be used for mineral exploration; about 44,000 gallons per day will be used for road dust control. Up to three drill sites may be operational and require water at any one time. Water for dust control will be drawn from one or more of the listed streams.

Most of the identified tributary streams to Greens Creek and Fowler Creek are believed to be upstream of the stream reaches frequented by fish. However, several of the tributary streams were documented to support resident and/or anadromous fish species during development of the Greens Creek Tailings EIS. Based upon our review of your plans, your proposed project should not obstruct the efficient passage and movement of fish if pump water intake structures are properly sized and screened. In accordance with AS 41.14.840, project approval is hereby given subject to the following stipulation:

- (1) In all streams supporting resident and/or anadromous fish species, the water intake structure shall be designed to prevent fish entrapment, entrainment, or injury. The effective screen opening may not exceed ¼ inch; maximum water velocity at the screen/water interface may not exceed 0.5 feet per second when the pump is operating.**

The permittee is responsible for the actions of contractors, agents, or other persons who perform work to accomplish the approved plan. For any activity that significantly deviates from the approved plan, the permittee shall notify the OHMP and obtain written approval in the form of a permit amendment before beginning the activity. Any action taken by the permittee, or an agent of the permittee, that increases the project's overall scope or that negates, alters, or minimizes the intent or effectiveness of any stipulation contained in this permit will be deemed a significant deviation from the approved plan. The final determination as to the significance of any deviation and the need for a permit amendment is the responsibility of the OHMP. Therefore, it is recommended that the OHMP be consulted immediately when a deviation from the approved plan is being considered.

This letter constitutes a permit issued under the authority of AS 41.14.840. This permit must be retained on site during construction. Please be advised that this approval does not relieve you of the responsibility of securing other permits, state, federal or local.

This permit provides reasonable notice from the Deputy Commissioner that failure to meet its terms and conditions constitutes violation of AS 41.14.860; no separate notice under AS 41.14.860 is required before citation for violation of AS 41.14.840 can occur.

In addition to the penalties provided by law, this permit may be terminated or revoked for failure to comply with its provisions or failure to comply with applicable statutes and regulations. The OHMP reserves the right to require mitigation measures to correct disruption to fish and game created by the project and which was a direct result of the failure to comply with this permit or any applicable law.

The recipient of this permit (permittee) shall indemnify, save harmless, and defend the OHMP, its agents and its employees from any and all claims, actions or liabilities for injuries or damages sustained by any person or property arising directly or indirectly from permitted activities or the permittee's performance under this permit. However, this provision has no effect, if, and only if, the sole proximate cause of the injury is the OHMP's negligence.

Please be advised that this determination applies only to activities regulated by OHMP; other divisions with ADNR also may have jurisdiction under their respective authorities. This determination does not relieve you of the responsibility for securing other permits, state, federal, or local. You are still required to comply with all other applicable laws.

Sincerely,

Dick LeFebvre, Deputy Commissioner

/s/ Robert F McLean

BY: Robert F. McLean, Area Manager
Office of Habitat Management and Permitting

ecc: John Dunker, ADNR, Juneau
Jim Powel, ADEC, Juneau
Joe Donohue, ADNR, Juneau
Jackie Timothy, OHMP, Juneau

RFM