



**Wharf Resources (USA), Inc.**

June 16, 2021

Amber Vogt  
Lawrence County Planning and Zoning Administrator  
Lawrence County Courthouse  
90 Sherman Street  
Deadwood, SD 57732

RE: Annual CUP Report for Coeur Wharf

Dear Ms. Vogt,

Please find enclosed the 2020 Annual Conditional Use Permit Report for Coeur Wharf.

If you have any questions about these documents please feel free to contact me at 605-584-4155 or e-mail me at [mzietlow@coeur.com](mailto:mzietlow@coeur.com).

Sincerely,



Matt Zietlow  
Environmental Manager

F. Compliance with terms, requirements, and conditions of CUP #398

**WHARF RESOURCES  
CONDITIONAL USE PERMIT #398  
ANNUAL REPORT  
JANUARY 1 - DECEMBER 31, 2020**

- 1. In May/June of each year, Wharf Resources shall file a written annual report with the Lawrence County Planning and Zoning Administrator, setting forth Wharf Resources' compliance with the terms, requirements, and conditions of this Conditional Use Permit as well as an update on the general operations and reclamation of its mining and processing operations. Such report shall address selected key socioeconomic information such as employment, payroll, work force, residency, taxes, anticipated activities, impacts on adjacent lands (that is, drilling, blasting, noise, dust, traffic, etc.) and any additional areas as may be determined by the Lawrence County Commission.**

Wharf Resources' 2019 Annual Report was submitted to the Lawrence County Planning and Zoning Administrator in June 2020 in conjunction with Wharf's annual presentation to the county commissioners.

- 2. All excavations, extraction of materials and minerals, open pits and impounding of waters hereafter established or enlarged shall conform to the approved operating plans and permit conditions of the South Dakota Department of Environment and Natural Resources (DENR) and any applicable United States Environment Protection Agency (EPA) water discharge permit standards.**

Activities at the Wharf Mine are regulated by the rules of the South Dakota Department of Agriculture and Natural Resources (DANR) and the applicable US Environmental Protection Agency (EPA) water discharge permit standards. The EPA approved the South Dakota Surface Water Discharge (SWD) Program on Dec. 30, 1993, at which time the state assumed administrative authority over the National Pollution Discharge Elimination System (NPDES) Program.

Wharf's SWD permit was originally approved in 1994. The permit was amended and renewed in 1999 and again in 2006. The permit expired June 30, 2011; however, it remains in effect until a new one has been issued because the required permit renewal application was filed six months prior to the expiration date as required. In compliance with provisions of the Clean Water Act, the permit regulates discharges and sets effluent limitations, monitoring requirements and other conditions.

- 3. Copies of all Notices of Violations (NOV's) sent to Wharf Resources from the DENR or EPA shall be transmitted to the Lawrence County Planning and Zoning Administrator within ten (10) days of Wharf Resources' receipt.**

Wharf Resources did not receive any Notices of Violation from DANR in 2020.

- 4. Reclamation of the land shall conform with the rules, approved reclamation plans and permit conditions of the DENR and in consultation with the Natural Resources and Conservation Service (NRCS). Reclamation will proceed in a timely and orderly fashion as determined by the DENR and the NRCS. All state required annual reclamation reports shall be made available for review by the public upon request.**

Reclamation plans are developed in conjunction with the Department of Agriculture and Natural Resources (DANR) and the Natural Resources and Conservation Service (NRCS). Reclamation activities are conducted as concurrently as possible to return the land to a stable, productive

landform. During 2020, Wharf added 15.65 new affected acres and completed approximately 49 acres of interim reclamation. Wharf's annual reclamation report is on file with the DANR and is available for public inspection.

- 5. Wharf Resources shall immediately report the release of fuel or chemicals in excess of the "reportable quantity" or in quantities that will be harmful to the groundwater, the public health or the environment or that will contaminate surface water supplies in any way to the DENR, the Lawrence County Commission Chairman, the Lawrence County Planning and Zoning Administrator and the Lawrence County Emergency Management Director pursuant to the Lawrence County Hazardous Materials Emergency Response Plan. If the Lawrence County Emergency Management Director is not available, the Lawrence County Sheriff's Dispatch Center shall be contacted.**

Wharf did not have any reportable spills during 2020

- 6. Wharf Resources will monitor wells within the permit area in compliance with DENR requirements. In the event water quality problems develop in any wells, Wharf Resources will notify the Lawrence County Planning & Zoning Administrator of all mitigative measures taken.**

Monitoring of all wells within the permit area is conducted quarterly in accordance with Wharf's state approved monitoring program. Monthly sampling is conducted in certain wells to establish baseline data or track a trend more carefully.

- 7. Wharf Resources shall be responsible for Lawrence County's portion of the continued operation and annual payments of two (2) stream flow gages which measure stream flow in the vicinity of mining operations near Terry Peak in Lawrence County for the life of the mine. Gage 1 is known as continuous-record gaging station 06430800 located on Annie Creek near Lead. Gage 2 is known as continuous-record gaging station 06432172 located on False Bottom creek near Central City.**

Wharf has made, and will continue to make, payments to Lawrence County for Lawrence County's portion of the continued operation and annual payments of the two stream flow gages upon receipt of any invoices provided by Lawrence County.

- 8. If an overburden disposal area will affect drainage, Wharf Resources shall install a surface water quality monitoring station below the disposal areas, and shall comply with all Surface Water Discharge Permit requirements. Any confirmed evidence of discharges beyond the DENR's and EPA's standards shall be reported to the DENR and the Lawrence County Planning and Zoning Office within twenty-four (24) hours. Follow-up correspondence shall be forwarded to the EPA as required by Wharf Resources Surface Water Discharge Permits. Results of the monitoring program shall be made available for review by the public upon request.**

Surface water sites are monitored below the disposal areas in compliance with Wharf's Surface Water Discharge Permit. All confirmed discharges beyond state permit limits or federal standards are reported to DANR and the Lawrence County Planning and Zoning Office within the appropriate time frames. Follow-up correspondence to DANR is forwarded to the EPA as required by Wharf's Surface Water Discharge Permit and is available for public review.

9. **Existing public roads within the permit area will remain intact wherever possible. If existing public roads are disturbed, a suitable alternative access road will be provided as long as active mining and reclamation are in progress.**

Suitable alternative access is provided for any public road that is disturbed. In the summer of 2000, the former road to LAC Minerals was abandoned and alternative public access provided. The access road was realigned in early 2007, as part of the technical revision to mine Deep Portland. It was realigned again in 2010 as part of the technical revision to push back the south wall of the American Eagle Pit approved in November 2009. The access road was realigned in 2020 under a technical revision approved by DANR. The realignment occurred in order to proceed with mining the Portland Ridgeline.

10. **Wharf Resources shall adhere to a dust suppression program to control dust on the following roads: those areas of State Highway 473 disturbed by Wharf Resources' mining operation, the Wharf access road, and all haul roads within the permit area. Wharf Resources shall utilize dust suppression methods recommended or approved by the Lawrence County Highway Superintendent or the DENR. Should legitimate dust concerns be raised by adjoining property owners, Wharf Resources shall increase its dust suppression activities on affected roads and increase air quality surveillance to ensure compliance with state and federal regulations.**

Wharf Resources adheres to a strict dust suppression program on its access road and haul roads impacted by its mining operations. The primary method for minimizing dust is road watering and episodic treatment with magnesium chloride. Air quality monitoring is conducted at the permitted sources to ensure compliance with all state and federal regulations.

11. **Wharf Resources shall cooperate with Lawrence County in regulating employees', contractors', service person's and suppliers vehicle speeds and the observance of traffic signs on all public roads in the vicinity of Wharf Resources Mining Operation.**

Workers, contractors, service person's and vendors are encouraged to observe posted vehicle speeds and traffic signs on all public roads.

12. **Wharf Resources shall try to schedule normal off-site heavy truck weekday deliveries during daylight hours.**

Normal off-site heavy truck and equipment operations and deliveries are scheduled for daylight hours whenever possible.

13. **Complaints shall be handled in accordance with the complaint, violation and penalty provisions of the Lawrence County Zoning Ordinance then in effect.**

Should specific complaints be lodged to Lawrence County against Wharf Resources, Wharf will cooperate with the Lawrence County Commission and the Lawrence County Planning and Zoning Administrator to develop workable solutions to the issues of concern.

14. **Wharf Resources shall conduct blasting operations during daylight hours.**

Blasting activities are conducted between 9 a.m. and ½ hour before sunset. Blasting is most often scheduled for 12pm and 3pm.

- 15. Blasting parameters shall be as determined by the Bureau of Mines Report of investigation/1980 (R1 8507), unless superseded by a more recent document to establish safe seismic disturbances and air blast limits. During development and operation of the Expansion Project, Wharf Resources shall conduct studies at least annually, or more frequently if required, to quantify the effect of pit blasting on the surrounding area. Results of such testing shall be included in the written annual report. If complaints arise regarding blasting and further investigation is merited, monitoring equipment may be required to evaluate the complaints. Appropriate mitigation measures may be established by the County Commission. All costs associated with monitoring and mitigation shall be at the sole expense of Wharf Resources.**

Wharf Resources monitors blast vibrations on a regular basis, concentrating on blasts conducted near residential areas. Information on air shock and peak particle velocity is recorded and summarized on an annual basis. A summary of the 2020 data is included in Attachment 1.

- 16. If dust due to blasting becomes a problem to local residents, one or more of the following mitigative measures shall be employed:**

- a) **Blast parameters shall be revised for possible adjustment.**
- b) **Weather conditions shall be monitored and blasting shall be conducted with favorable meteorological conditions (i.e. raining or favorable winds, no inversion).**
- c) **Air quality surveillance shall be increased to ensure compliance with state and federal regulations.**

If dust due to blasting becomes a problem to local residents, mitigative measures as outlined in this condition will be implemented.

- 17. Wharf Resources shall, to the extent possible, continue to maintain sixty percent of its workforce from within Lawrence County. Should work at the project be contracted out, Wharf Resources shall make every reasonable effort to utilize county residents and/or contractors.**

Every effort is made to utilize qualified county residents and/or contractors in Wharf's mining operation. During the past year, 53% of Wharf's active employees resided within Lawrence County, a decrease from the previous year and indicative of challenging employment conditions.

- 18. Wharf Resources shall continue to make every effort to make initial and recurrent purchases of materials and supplies from within Lawrence County communities first and regional communities secondly, to the extent such items are available at comparable costs, quality and delivery schedules of suppliers outside the area.**

Whenever possible, materials and supplies are purchased from Lawrence County and the surrounding communities to the extent that such items are available on a comparable basis to outside suppliers.

- 19. Wharf Resources shall be allowed to operate a Rubble/Construction and Demolition Debris Disposal site in the areas referenced by exhibit in the application materials as regulated by the State of South Dakota for such operations. This will allow for dumping of materials produced by Wharf Resources associated with reclamation and general housekeeping of their property only, and shall not extend to materials generated off-premises.**

Wharf Resources received approval of a Rubble/Construction and Demolition Debris Disposal Permit from the South Dakota Waste Management Program on January 11, 2005. The permit was renewed on January 9, 2007, again on January 23, 2012, and most recently on January 24, 2017.

The current permit is effective for five years to January 24, 2022. Wharf will be submitting a permit renewal application to DANR in July 2021.

**20. Wharf Resources shall have a Fire Hazard Mitigation Plan developed and implemented.**

Wharf worked with Black Hills Land Analysis to develop the Fire Hazard Mitigation Plan. Wharf has entered into a Timber Management Agreement with Neiman Timber Company Inc. to conduct logging operations to thin the forest on Wharf property adjacent to the Mine to comply with portions of the Fire Hazard Mitigation Plan.

**21. Wharf Resources shall provide hazard training and work cooperatively with Lawrence County Emergency Management Office to ensure county emergency responders are properly trained to manage any hazard situations that may arise.**

Wharf is providing hazard training and involving Lawrence County Emergency Management Office in mock emergency drills and other training sessions to ensure emergency responders are properly trained to manage hazardous situations that may arise on and near the mine site.

**22. Wharf Resources shall maintain access to the Terry Peak Cemetery during mining, and will continue to work with the Terry Cemetery Association.**

Wharf is maintaining access to the Terry Cemetery and continues to work with the Terry Cemetery Association.

**23. Any construction of structures or movement of buildings onto the property shall require a building permit from the Lawrence County Office of Planning and Zoning.**

During 2020, Wharf did not construct or move any buildings.

**24. All lights used for illumination shall be directed away from any nearby residences, businesses and public roads and shall use “down-throw” lighting.**

All lights are directed away from nearby residences, businesses, and public roads.

**25. The applicant shall provide a copy of the State Permit and any inspections/violations from the DENR to the Lawrence County Planning and Zoning Office.**

A copy of the State Mine permit was submitted to the Lawrence County Planning and Zoning Office in 2013. There were no violations in 2020.

**26. The applicant shall submit to the Office of Planning & Zoning a person to contact with their telephone number, other than the office’s number, in case of emergencies, violations or for gathering information.**

The office of Planning and Zoning may contact Ken Nelson, Mine General Manager at (605) 584-4177 or Matt Zietlow, Environmental Manager at (605) 584-4155.

**27. Wharf Resources will notify the Lawrence County Planning & Zoning Office of changes in the Mine General Manager and the Operations Manager within 2 business days of such changes.**

Wharf will notify the Lawrence County Planning & Zoning of changes in the Mine General Manager and the Operations Manager within 2 business days of such changes.

**28. One on-premise sign may be allowed on the property and conform to Chapter 7 of the Lawrence County Zoning Ordinance. This sign will state the name of the company, telephone numbers and hours of operation.**

The existing Wharf Resources Sign meets the size requirements of the sign regulations for on-premise signs found in Chapter 8 of the County Zoning Ordinance. This sign does not include a telephone number or hours of operation. If a new sign is developed with company name, telephone numbers and hours of operation, Wharf will ensure that it meets the regulations for on-premise signs and a permit will be applied for.

**29. All noxious weeds shall be controlled per the Lawrence County Invasive Species Department regulations.**

Noxious weeds are controlled per Lawrence County Invasive Species Department regulations, utilizing both site resources and an outside contractor.

**30. Wharf Resources shall, ninety (90) days prior to any planned, permanent closure or long term cessation of mining operation, give notice of said closure or cessation to the Lawrence County Planning and Zoning Commission and the Lawrence County Commission. Wharf Resources shall cooperate with any inspections undertaken by said Planning and Zoning Commission and Lawrence County Commission for the purpose of identifying any impacts on affected roads and compliance with reclamation plans.**

Active mining operations are presently scheduled to end in 2027.

**31. If State of South Dakota or federal laws, rules or conditions conflict with these conditions, the state or federal requirements shall control.**

State or Federal laws, rules or conditions will take precedence over these conditions.

**32. Any change of property ownership, with the proposed transfer of this subject Conditional Use Permit, shall be reported immediately to the Office of Planning and Zoning.**

- a. If any terms, condition or requirement stipulated in the Conditional Use Permit, the Lawrence County Zoning Ordinance or applicable State and Federal regulations are not fully complied with in all respects, this permit shall be reviewed and may be suspended or revoked.**
- b. This permit shall be reviewed on an annual basis or on an as needed basis to assure compliance with the attached conditions, at which time addition conditions may be attached or the permit may be cancelled if deemed necessary for the protection of the public interest.**

No changes in the company or transfer of the Conditional Use Permit occurred in 2020. Pursuant to a stock purchase agreement dated as of January 12, 2014 entered into by and between Coeur

Mining, Inc. (“Coeur”) and Goldcorp America Holdings Inc. (“Goldcorp”), Coeur purchased, and Goldcorp sold, all of the outstanding shares of common stock of Wharf Resources (U.S.A.), Inc. (“Wharf”). Immediately following the closing of the Transaction, Coeur directly owned 100% of the outstanding shares of common stock of Wharf, and Wharf became a wholly-owned subsidiary of Coeur. Coeur did not change the Corporate structure of Wharf Resources USA Inc. following the closing of the Transaction. Lawrence County was notified that the brand name Coeur Wharf will be used on emails and other correspondence to represent Coeur’s operation in South Dakota. Wharf is presently in compliance with all Lawrence County Ordinances and applicable State and Federal regulations.

- 33. Prior to conveying any portion of the real property included within boundaries of Conditional Use Permit No. 398, and prior to conveying any portion of real property now owned by Wharf Resources adjoining or adjacent thereto, Wharf Resources shall submit proposed boundary plat(s) that include said portions to the Lawrence County Planning Commission and County Commission and obtain approval as to size and shape. Factors to consider in determining plat size and shape may include, but not be limited to, topography, geography and naturals, typical, practical or artificial boundaries. This condition shall not apply to such portion of the property that is subject to contractual conveyance obligations between Wharf Resources and Black Hills Chair Lift Co. existing as of the date of the approval of the application for Conditional Use Permit No. 398. This condition shall not apply to the existing Lost Camp Subdivision. Approval of any boundary plat shall be a pre-condition to approval of any preliminary plat(s) submitted for the purpose(s) of subdivision of any of such property.**

Wharf Resources will submit proposed boundary plat(s) prior to conveying any portion of real property included within the boundaries of Conditional Use Permit No. 398.

- 34. During active mining operations, Wharf Resources will provide public rights-of-way across property to provide access from the Stewart Slope Road to the Perkins Road (Richmond Hill Road), and to the Redpath Creek Road. Wharf Resources will maintain the public rights-of-way during its active mining operations. During reclamation, the public rights-of-way will be reclaimed as required by ARSD 74:29:07:12, unless a local, state, or federal agency requests that the public rights-of-way remain unreclaimed and agrees to be responsible for future maintenance. ARSD 74:29:07:12(10).**

Wharf Resources presently provides public rights-of-way across property to provide access from Stewart Slope Road to Perkins Road (Richmond Hill Road), and Redpath Creek Road. Condition 34 has been amended and residents have established a road district for ongoing maintenance purposes. Wharf does continue to provide support to the road district in the form of occasional snow removal, grading, and stormwater repairs.



## Attachment 1

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**MEMORANDUM**

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**TO:** AMY ALLEN  
**FROM:** MEGAN BUURMA MARVIN  
**SUBJECT:** SEISMOGRAPH RESULTS 2020  
**DATE:** JANUARY 19, 2021

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During 2020, Wharf Resources conducted 216 blasts contracted through Buckley Powder Company and 11 blasts contracted through Century Blasting. The engineering department monitored 126 blasts with two Nomis Mini-Supergraph II permanent seismograph stations.

The blasts were monitored for safe ground vibration levels and safe air blast levels. No monitored blast exceeded the safe ground vibration level of 2 in/sec. No monitored blast exceeded the safe air blast level of 136 dB.

During calendar year 2020, Wharf did not receive any formal complaints regarding blast vibrations from neighboring landowners. Wharf personnel did meet with local residents of the Terry Peak Subdivision in June at their annual meeting, and with the manager of Barefoot Condominiums intermittently during the year, to keep them apprised of operations progress and answer any general questions they had on mine related matters, mine sequence, etc. Wharf also advised the Rapid City DENR office of blasts within the Flossie Pit area so concurrent vibration monitoring could be accomplished as well.