



NEVADA GOLD MINES LLC
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April 20, 2026

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Lea Jacobsen-Guy
Nevada Division of Water Resources
901 South Stewart Street, Suite 2002
Carson City, NV 89701-5250

**RE: Request for Additional Information – Water Conservation Plan
Nevada Gold Mines LLC – Cortez District**

Dear Ms. Jacobsen-Guy,

In reference to the letter dated February 24, 2026, Nevada Gold Mines LLC – Cortez District herein submits the updated Water Conservation Plan to comply with Nevada Revised Statutes (NRS) 540.131 through 540.151.

Should you have any comments or concerns, please contact Lindsay Gowin at (775) 388-0069.

Sincerely,

Jennifer Ortega

Jennifer Ortega
Environmental Engineer
Nevada Gold Mines LLC – Cortez District

JO/lg

Enclosures: Water Conservation Plan – Cortez District Potable Water Systems

cc: Bunny Bishop, NDWR
Casey Addy, NGM
Michelle Rose, NGM
Lindsay Gowin, NGM

Water Conservation Plan

Cortez District Potable Water Systems

Introduction

Nevada Gold Mines LLC – Cortez District (Cortez) supplies potable water to the Cortez Mine facilities for domestic and operational purposes. Water supplied to the site is derived primarily from ongoing mine dewatering operations and four Non-Transient, Non-Community Public Water Systems (PWSs):

- Pipeline Public Water System (PWS No. NV0000892)
- Mill #1 Public Water System (PWS No. NV0002570)
- Cortez Hills Public Water System (PWS No. NV0001097)
- The Lodge at Pine Valley Public Water System (PWS No. NV0000414)

Water produced during mine dewatering activities is predominantly returned to the Crescent Valley Hydrographic Basin (Nevada Groundwater Basin No. 54 – Crescent Valley) through infiltration and irrigation practices. During the spring and summer months, irrigation receives approximately 6,000 gallons per minute (gpm). The remainder of water produced at Cortez is used in milling and leaching operations, dust suppression, and potable uses. Less than one percent of water produced at the site is estimated to be lost through evaporation.

The potable water systems serve employees and contractors working at the mine site. Users are not individually metered or billed. The systems consist of production wells, water treatment facilities, storage tanks, distribution pipelines, and service connections.

This Water Conservation Plan (Plan) has been prepared in accordance with the requirements of Nevada Revised Statutes (NRS) 540.131 through 540.151 and is based on the climatic conditions and operational characteristics of the Cortez service area. The Plan will be reviewed and updated at least every five years, or more frequently if necessary to reflect changes in the system conditions or regulatory requirements.

Elements of the Water Conservation Plan

Public Education and Awareness

Cortez will promote water conservation awareness among employees and contractors through posted notices, internal communications, and educational materials distributed throughout the mine site. Educational efforts will focus on:

- Increasing awareness of Nevada's limited resources
- Encouraging responsible water use practices

- Prompt reporting of leaks or malfunctioning fixtures
- Minimizing unnecessary water consumption

A Water Conservation Notice will be posted at restroom facilities, bulletin boards, and other communal areas to reinforce water conservation practices.

Landscaping and Vegetation

Landscaping at the Cortez Mine is limited. Areas surrounding the Administration Building include native trees and shrubs adapted to the arid climate. No turf grass or irrigated lawns are present at the site.

The use of drought-tolerant vegetation minimizes irrigation requirements and supports long-term water conservation objectives.

Water Conservation Measures

Cortez implements the following measures to reduce water consumption:

- Extensive reuse of process water and contact water within minimal processing operations
- Utilization of dewatering water for operational uses where feasible
- Application of chemical dust suppressants to reduce water usage for dust control
- Routine inspection and maintenance of potable water infrastructure to prevent unnecessary water loss
- Optimization of operational water use through monitoring and water balance evaluations

These measures significantly reduce the need for additional freshwater withdrawals.

Management of Water Loss

Cortez actively manages potable water infrastructure to identify and minimize water losses.

System monitoring includes:

- Continuous monitoring through the Supervisory Control and Data Acquisition (SCADA) system
- Evaluation of pump run times and system pressures
- Routine inspections of distribution infrastructure
- Prompt investigation and repair of suspected leaks

Although individual connections are not metered, system flowmeters and totalizers allow tracking of water production and distribution.

Cortez's objective is to maintain water system efficiency above 90 percent and continue improving operational monitoring to further reduce losses.

Comparison to Previous Water Loss Evaluations

This Water Conservation Plan represents an update to prior water conservation planning efforts for the Cortez District potable water systems. Cortez serves fewer than 3,300 persons and operates as a remote industrial facility with no individually metered or billed customers. As a result, a formal American Water

Works Association (AWWA) water loss audit has not been previously conducted, and detailed billed-versus-delivered customer comparisons are not applicable to the system.

Consistent with past practice, Cortez evaluates potable water use and potential system losses using production flowmeters, totalizers, SCADA system data, operational records, pump run times, and system pressure monitoring. These methods are consistent with previous evaluations and continue to provide a reliable basis for assessing overall system performance.

A comparison of current monitoring data with historical operational data indicates that potable water system performance remains stable, with estimated system efficiency historically exceeding 90 percent. No material increase in water losses has been identified when compared to prior evaluations. Routine inspections, timely leak detection and repair, and continuous SCADA monitoring continue to support effective management of water loss.

Based on these evaluations, Cortez has maintained consistency with previously established water loss management goals and continues to meet or exceed internal efficiency objectives. Cortez will continue to review water production and distribution data annually and will implement corrective actions as necessary to maintain or improve system efficiency.

Water Loss Evaluation and Goals

To support water loss management, Cortez evaluates water production and distribution data annually using available monitoring systems and operational records.

The following performance goals guide water loss management efforts:

- Maintain potable system efficiency greater than 90 percent
- Investigate abnormal flow conditions within 24 hours
- Repair confirmed distribution system leaks as soon as practicable

Operational monitoring and water balance tools are used to evaluate system performance and identify potential opportunities to reduce water losses.

Effluent Reuse

Wastewater generated from potable water use is discharged to permitted large-capacity septic systems in accordance with applicable permits.

Contact water and process solutions associated with mining operations are reused within the mineral processing circuit whenever practicable, reducing the demand for freshwater.

Metering, Rate Structures, and Watering Restrictions

The Cortez potable water systems serve employees and contractors at a remote industrial facility. Because users are not billed for water consumption and no landscape irrigation systems exist, individual service meters, tiered rate structures, and watering restrictions would not significantly improve conservation.

However, Cortez maintains comprehensive monitoring of water production and distribution using flowmeters, totalizers, and operational inspections to track water usage and identify inefficiencies.

Incentives for Water Conservation

Although the Cortez site does not have residential customers, Cortez promotes water conservation through operational policies and infrastructure improvements, including:

- Use of drought-tolerant landscaping
- Continued evaluation of operational practices that reduce potable water demand

These measures encourage efficient water use within the service area.

Drought Contingency Plan

If potable water supply is disrupted or limited, Cortez will implement the following contingency measures:

1. Haul potable water from approved systems in Crescent Valley or Elko using licensed potable water haulers
2. Prioritize potable water use for essential health and safety purposes
3. Deploy bottled water and portable sanitation facilities if necessary
4. Communicate drought response measures to employees and contractors

Implementation Schedule

The measures identified in this Plan are implemented on an ongoing basis as part of normal site operations.

Key implementation activities include:

Measure	Implementation Schedule
Leak detection and repair	Ongoing
SCADA monitoring of water systems	Continuous
Employee awareness communications	Ongoing
Review of conservations measures	Annual
Plan review and update	Every five years

Evaluation of Plan Effectiveness

The effectiveness of this Plan will be evaluated though:

- Annual review of water production and usage data
- Monitoring system efficiency and leak repair performance
- Evaluation of operational improvements that reduce potable water demand

Adjustments to the Plan will be made as necessary to maintain effective water conservation practices.

Estimated Water Savings

Due to the industrial nature of the Cortez site and the extensive reuse of water within mining operations, direct daily water savings attributable solely to potable system conservation measures are difficult to quantify.

However, operational practices that reuse process water and minimize potable water demand significantly reduce overall water consumption at the site. Cortez will continue evaluating opportunities to quantify water savings through improved water monitoring and water balance analysis.

Water Loss Audit and Water Balance

Cortez conducts periodic evaluations of potable water production and distribution data to identify potential water losses and opportunities for improved efficiency. Due to the industrial configuration of the Cortez Potable water systems and the limited number of service connections, a simplified water balance approach is utilized.

Water production is measured through system flowmeters located at potable water production wells and treatment facilities. Distribution system usage is evaluated through operational records, facility usage estimates, and monitoring of system pressures and pump run times.

Potential water losses may include:

- Distribution system leaks
- Storage tank overflows
- Flowmeter inaccuracies

Operational monitoring through the SCADA system allows for rapid identification of abnormal system conditions such as increased pump run times or unexpected pressure fluctuations that may indicate leaks.

If abnormal conditions are identified, maintenance personnel investigate and repair system components as soon as practicable.

The Cortez potable water systems historically maintain an estimated operational efficiency exceeding 90 percent, indicating that losses are minimal relative to total production. Cortez will continue to evaluate system data annually and implement corrective actions as necessary to maintain or improve system efficiency.

Estimated Water Savings from Conservation Measures

Because Cortez potable water systems primarily serve an industrial workforce and potable water demand represents a small portion of overall site water use, precise daily potable water savings are difficult to quantify. However, several operational measures significantly reduce the demand for potable water.

Estimated reductions in potable water demand result from the following practices:

Conservation Measure	Estimated Benefit
Use of drought-tolerant landscaping with no irrigated turf	Eliminates landscape irrigation demand
Reuse of contact water and process water in mineral processing	Reduces need for additional freshwater withdrawals
Chemical dust suppressants for haul roads	Reduces water required for dust suppression
Routine leak detection and infrastructure maintenance	Minimizes distribution losses
SCADA system monitoring system performance	Rapid identification and correction of abnormal water usage

Collectively, these measures reduce potable water demand at the Cortez site and support efficient water use across the operation.

Cortez will continue to evaluate operational data and monitoring results to identify additional opportunities for water conservation and improved system efficiency.

Water Conservation Notice

Nevada is the driest state in the United States and is highly susceptible to drought conditions.



-  **All employees and contractors are encouraged to conserve water whenever possible.**
-  **Please report leaking fixtures, damaged plumbing, or suspected pipeline leaks immediately to Site Services or your supervisor.**

Every effort to conserve water helps protect Nevada's limited water resources.



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GOLD MINES**

