August 8, 2011

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AUG 10 2011
MINERALS & MINING PROGRAM

TO: SD Board of Minerals and Environment
c/o SD Department of Environment and Natural Resources
PMB 2020, Joe Foss Building,523 East Capitol
Pierre, SD 57501-3182

FROM: Richard L. Fort
11307 Black Forest Road
Lead, SD 57754 (605) 584-3832

Gary Heckenlaible
612 St. James Street
Rapid City, SD 57701
(605)341-4063

RE: Wharf Mine Expansion: Intervention as an individual
Gary Heckenlaible also so intervenes.

Dear Members of the Board:

Wharf Mine (Gold Corp) has been active in the Black Hills for over two decades with the benefits in jobs and tax revenue this entailed. Therefore there is strong pressure on the Board to give approval for the expansion that will enable them to continue operations for eight more years. Also there is the likelihood that this will be the last large scale gold mining operation in the South Dakota portion of the Black Hills. I am aware that these are considerations of weight for you. Nevertheless, I am convinced that this application should be denied, and there are three major considerations that lead me to this position.

(1) Wharf Mine has a troubled history of many violations of State regulations. The State this summer has had to further investigate leaks that have put unacceptable levels of cyanide in Annie Creek, a tributary of the important tourism resource of Spearfish Canyon. These problems will continue to threaten a resource that is more valuable than gold, namely, our water, if the mine is allowed to continue.

(2) This expansion infringes upon an important residential area. This mine has already destroyed the town of Trojan and this expansion will intrude into the important resort and residential area on the north side of Terry Peak. This is really the first such mine to intrude into such a large and well settled area. The threat to property values in the area by this expansion is manifest.

(3) This expansion will intrude into an important tourism resource of the Terry Peak Ski area. I am aware of the company promises not to disturb this area in the winter and to enhance one of the ski runs. But I am afraid the necessary ugliness of this development will put a crimp on visitor use of the area, with negative consequences for the local economy.

The planned rerouting of the Terry Peak road will also create problems for travel in this area.

I would suggest that even if the State feels it must approve this expansion, bonding should be at a level so that if the company should forfeit its bond and pull out as another Canadian company did at the Gilt Edge site and not complete reclamation, the bonding will cover the cost for this to the State.

Another more general consideration the Board should consider has to do with the long range future of the Black Hills area. In Lawrence County, in spite of mining's long history as a vital part of its economy we now see that our future rests on other resources. Specifically the beauty, liveability, and clean water of the area are its most valuable resources and our future rests upon concern for and protection of these valuable assets. Heap leach mining has negative consequences for these.

Quite simply it is time to say to this company "You've had a good run here, but now it is time for you to clean up and go back to Canada!"

Sincerely,

Richard L. Fort
Gary Heckenlaible

Richard L. Fort
Gary Heckenlaible

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CERTIFICATE OF FILING AND SERVICE

I, Richard L. Fort, do hereby certify that on the 9 day of August, 2011, I sent by first class U.S. mail the original of the foregoing to:

SD Board of Minerals and Environment
C/o SD Department of Environment and Natural Resources
523 East Capitol
Pierre, South Dakota 57501

and a full, true and complete copy of the same to be served upon the following named persons at their last known post office addresses as follows:

Roxanne Giedd
Deputy Attorney General
State of South Dakota
1302 E Hwy 14
Suite 1
Pierre SD 57501-8501

Max Main, Attorney at Law
BENNETT, MAIN & GUBBRUD, P.C.
618 State Street
Belle Fourche, SD 57717

Bill Shand, General Manager
WHARF RESOURCES
10928 Wharf Road
Lead, SD 57754

by depositing the same in the United States Mail in RAPID CITY, South Dakota with first class postage thereon prepaid, in envelopes as above.

Richard L. Fort

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