

**Beatty Town Advisory Board  
100 A Avenue South  
P.O. Box 837  
Beatty, NV 89003**

**Minutes  
05/09/16**

**THE BEATTY TOWN ADVISORY BOARD MET IN REGULAR SESSION AT 6:30PM IN THE BEATTY COMMUNITY CENTER.  
THE BEATTY TOWN ADVISORY BOARD HEREAFTER WILL BE REFERRED TO AS THE (BTAB)  
THE BEATTY TOWN ADVISORY BOARD MEMBERS HEREAFTER WILL BE REFERRED TO AS THEIR RESPECTIVE INITIALS.**

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**Dick Gardner (DG) – Chair  
Kelly Carroll (KC) – Vice Chair  
Erika Gerling (EG) – Treasurer  
Randy Reed (RR) – Member  
Crystal Taylor (CT) – Member**

**1 Pledge of Allegiance**

**2 GENERAL PUBLIC COMMENT (Three-minute time limit per person.) Action will not be taken on the matters considered during this period until specifically included on an agenda as an action item.**

Joey Taylor - Announced that the Beatty Elementary and Middle Schools will be holding their Science Fair on Wednesday May 11<sup>th</sup> from 6pm to 7pm in the gym at the Beatty Middle School.

**3 Approval of the Agenda for the BTAB meeting of May 9, 2016**

*Staff pulled the meeting item 5 Emergency Items.*

**4 For Possible Action – Approval of the Meeting Minutes; March 14, 2016 Budget Workshop, March 28, 2016 Budget Workshop, March 28, 2016, April 11, 2016 Minutes and April 25, 2016 Minutes.**

*RR – Motion to approve the minutes dated March 14, 2016 Budget Workshop; March 28, 2016 Budget Workshop; March 28, 2016 meeting and April 11, 2016 meeting; Second CT; 5-0*

*RR – Motion to approve the minutes dated April 25, 2016; Second CT; 4-1 KC abstain*

**5 For Possible Action – Emergency Items**

*Item pulled*

**6 Presentation/Update – On the Corvus Gold North Bullfrog Project by Chief Operating Officer Corvus Gold; Carl Brechtel**

Carl Brechtel - Introduced himself and thanked the Board for this opportunity.

Mr. Brechtel - Stated I think I have good news but it's nothing very abrupt but I think the signs are good and we've made a lot of good progress. I'm going to talk to that briefly tonight and I will try to answer any questions.

Mr. Brechtel - Reviewed the power point presentation; a lot of the things I'm going to say are forward looking, which means they are my opinions of things that could happen. They are not necessarily certain to happen; it's that kind of project where there is still a lot of uncertainty. We've had some evolution in the Company. If you recall when I first started talking to you I told you that we were a Company that had exploration assets in Alaska and in Nevada. Well our property at North Bullfrog is turning out to be our most exciting project, and so we made a decision over the last year and a half to sell off all of our Alaskan properties and invest that money into North Bullfrog. So that's the focus of our Company now. It's the one property everybody's attention is highly focused on. Over the last two years we completed some intensive drilling and came upon our new discovery which is called the Yellow Jacket vein and stockwork system. I talked to you about that a couple of years ago when I was here. That turned out to be a very exciting discovery. It was below surface in the same way that the original Bullfrog vein was, not detectable from the surface. For us it was an important event because now we had some confidence that we might find something similar up here to what was found down there and in fact the Yellow Jacket vein is almost identical to the North Bullfrog vein with the exception of it is not as big, but it did have substantial impact on how we saw the project and the potential for it. Instead of it being a heat leaching operation with low grade we now have a high grade system and we plan to have a conventional milling system operating as well. We put all of that together in July of 2015 and we published what's called a preliminary economic assessment, which is a regulatory document where we tell the world what we think the potential of the place is, and that's kept on a website called SEDAR where we publish all the documents related to our Company. It's available to any of you; it's also available on our website if any of you are interested, if you wanted to go look at that.

**6 Presentation Continued – Corvus Gold North Bullfrog Project; Carl Brechtel**

The Yellow Jacket discovery reinforced for us that we could develop more value at North Bullfrog by prospecting for additional vein type structures and so our focus for the last two drilling campaigns has been completely on locating new features like that. So we are developing a better understanding of the geology and that tells us where to look for those specific kinds of targets and that's what we are doing right now. All of that goes toward lowering the project risk which makes it more attractive and eventually we hope that we will be able to attract large capital in order to come back in and begin mining again. So some other good news is that the price of gold seems to be rebounding. It's come off a low of \$1,100.00 late last year and it's gone up to \$1,300.00 several times this year. So we think that there's an upward trend in the price and that's going to make the project that much more attractive.

I'm going to talk to you about two of our fiscal years. The last time I talked to you it was in September of 2014 and so our fiscal year of 2014/2015 we had a direct expenditure on North Bullfrog of 4.8 million dollars and then this current year fiscal 2015/2016 we're projecting that we'll have a direct expenditure of 3.6 million. I've explained to you before that we don't make money; we don't sell any product, so we have to raise money to fund this work and the market has been difficult lately. We've been successful, every year, at bringing money into the Company and I think that will continue going forward especially now that gold is more attractive as an investment. Our plan is to continue to drill and explore and target specifically these higher grade types of material that will make the thing much more attractive.

We've been drilling to locate further vein structures. We have a lot of good ideas and we're going along testing those targets. We did some magnetic and soil geo-chemical surveys in the eastern part of the property and we are doing recon drilling, which recon drilling is sort of like wild cat where we don't really know where it is so we're going to have to go drill a hole and see what the rocks look like and then try and figure out from there where to go next. Those are the kinds of activities that we are doing now. They are a little higher risk than what we were doing before but that's the next step and the payoff has got to be that we find some of those kinds of features.

As part of that preliminary economic assessment we generated a new conceptual plan for the mining operation. The north access road is the Strozzi Ranch Road so that gives you an idea of where we are. Our claim blocks cover that entire area from HWY 95 and all the way out into Sarcobatus Flats. We envision that we will have a big heat leach out in Sarcobatus Flats, the mining will be a little bit to the east, Sierra Blanca, Savage Valley and then the Yellow Jacket vein which is a very localized feature and it has about 400,000 ounces of gold in it. It's very close to the surface and it's going to be very profitable someday for someone to mine. Then we have on to the east an ore body called Jolly Jane. Jolly Jane is a similar structure to Sierra Blanca and we tested on to the north of it and we are finding that the mineralization continues on to the north. We are also finding that there are some big faults along that area and those faults are attractive targets for us now that we know what we are looking for. Way down to the south is the old Mayflower mine. They mined the high grade out of it but they left behind quite a bit so that's a viable alternative for us and may in fact have some higher grade material that we can send up to the mill. So that's the basis of that plan we put together.

(This portion is a review of several maps and topographical photos included in the presentation)

If any of you are interested on the front page of our website there is a video of us flying a drone around the property and talking about the different areas. If you get the chance it is worth looking at. Sierra Blanca north is all low grade gold mineralization, so that entire mountain has a grade of somewhere between .2 and .5 grams per pound of gold. It's highly oxidized which means that we can get the gold out of the rock relatively easily. Then down on the valley to the left there are a series of roads and a series of square pads excavated along the road those are drill pads that we put in to drill into the yellow jacket vein. We were planning to mine that before we just didn't know it was such high grade. Our property boundary runs pretty much along Oasis Valley and HWY 95 which goes to the north. We're holding all of the land to the east and up in the north west corner of that is where Sierra and Yellow Jacket are located, so that's the primary focus of all of our work right now. In the mean time we've developed some other ideas and we've got other targets that are pretty interesting, we've already done some drilling on it and we have more work to do this summer.

Because the power company excavated the road along the new power line that they put in through there, they uncovered the rocks. The rocks in that area are all covered by several feet of alluvium material, so we can't see what the rocks are and because of that it makes it hard for us to look so we didn't really look. Well, when they scraped the road off they scraped off this alteration feature that's about 6 kilometers long and it's related to the two hills that are above Balleys Hot Springs. I don't know if you ever drive through there but if you do take a look and you will see that a lot of those rocks are bleached white. Dave Spicer had a little, what we call Spicerite, mine on the west side and the east side had a cat litter open pit on the top. Well that stuff turns out to run all the way up the east side of the property and it's significant in that what it is, is a paleo surface so somewhere down below it these faults are happening and with the right pressure and temperature the fluids start to boil and they put off carbon dioxide. So you've got carbon dioxide boiling up to where it hits that water table and it alters the rock. What that suggested to us is that down below there, the same things that we are drilling on the surface out in the western part of the property exists at depth underneath the eastern property. Well, it's interesting and it's exciting to know that the thing is enormous, it really is an enormous area, but it will take a lot of work to figure anything out and its sort of future stuff but it still makes the whole area intriguing and I think more attractive in terms of the total potential.

We expanded our facilities; we are working on Dave Spicer's property those things are still the same. We moved a drill rig in around the first week of April; it's going to run probably until the middle of July when it gets hot and then break and come back in the fall.

**6 Presentation Continued – Corvus Gold North Bullfrog Project; Carl Brechtel**

We are continuing to do the baseline geochemical work, so those green dots you see (slide 9) on that center picture are springs that surround the property. We are taking water quality samples out of those springs and the red dots (same slide) are monitoring wells that we drilled around the property so we are collecting water. We started that in 4<sup>th</sup> quarter 2012 so we have a very well established idea of what the water is like before anything happens. We are still monitoring the weather, that goes back to 2012 (slide 10). We have plenty of Meteorologic data to support the project design.

Of course you know that Valley Electric upgraded that power line. The new circuit they added has more capacity than the project envisions ever needing. The infrastructure for whatever happens is in place, so we are really in a good position.

We will continue to drill, and will focus on those high grade vein targets. We'll continue to look at that conceptual design and we're making sure that we develop all the data we need so that the minute somebody decides, I'm going to do this, everything they need to do it is in place from the regulatory perspective.

We continue to work with BLM (Bureau of Land Management) and NDEP (Nevada Department of Environmental Protection) and maintain the permits and do all of the baseline monitoring that they require of us. We had a great achievement in December of last year, the Nevada SHPO (State Historic Preservation Office) finally made a ruling on the archeological sites that we had surveyed throughout the property and they decided that there are only 13 of the sites that met the requirements for heritage registration. So that freed us up to move around with a lot more ease.

Finally the base line characterization work is being upgraded so that the mill processes are reflected in the kinds of information we report.

I'm back again talking to you, I apologize that I missed you last year. I'll be back more often and I'm always available.

On another note, I had some Girl, Boy and Cub Scouts from Las Vegas come out to the site last year and then the Pahrump Rock Hounders visited the site. We are always happy to host a visit any time any of you would like to come contact me and I'll arrange it. The next time you see me it will be Beatty Days, I'm looking forward to it and I'm looking forward to sponsoring the Car Show again. Thank you.

DG – Asked are there any questions for Carl?

Albert Verrilli – Asked besides the video, I like the drone aspect I'm looking forward to seeing that, are the rest of your slides available anywhere? Can they be made available to the Town Board?

Mr. Brechtel – Clarified these slides? Carrie (Town Office) will have a copy of it.

Mr. Verrilli – Asked a second question, what accounts for the boost in the gold prices overall? I know that's out of your area but it has a bearing on how we can look at the world and where it's going.

Mr. Brechtel – Stated I'm not an expert in that. Remember that the peak price in, I think, 2012 was about \$1,900.00 and it was just sort of downhill from there. When we came here to be active it was about \$1,400.00 and that was such a great price that we thought we've got to take advantage of that price so we launched into trying to create the Mayflower mine in order to capture some of that price. Then the next thing that happened was it dramatically dropped so we are now 4 years beyond 2012 and I think that there is a lot of risk in the world and that people are realizing it. The entire Middle East is in chaos the world economy is not in great shape and all of the Central Banks are printing money to keep us all going. So I think there is a certain group of people who are worried and they think that gold is going to be worth a lot of money some day and they are willing to speculate on it. I don't know if it's going to go up or down but one thing that is definitely true and that you see now is that it's a traded instrument just like stocks and bonds. People are shorting gold, in other words they are selling gold they don't have hoping that the price is going to go down so they won't have to buy it and they will make a profit on it. So there is a certain amount of this high-tech finance stuff that none of us probably are really cued into that's going on and its coming into the gold market now so I think volatility is going to be high going forward.

Mr. Verrilli – Stated and that is likely to continue for decades.

Richard Stephens – Stated I missed the numbers that you gave earlier about how much you have invested and what you are going to invest over a period of time, was it 3.6 million?

Mr. Brechtel – Stated it was 4.8 million in the fiscal year 2014/2015 and it was 3.6 million in 2015/2016. The point I'm making is that we are continuing to invest money in the exploration. We raise money in Canadian dollars, it used to be parity but it's a lot weaker now against the US currency.

Mr. Stephens – Asked which numbers are these.

Mr. Brechtel – Replied these are US dollars. So we are trying to be conservative and trying to make sure that we are careful to watch that.

Shirley Harlan – Stated we know you have water available from these sources and asked do you have enough water available from all of the sources?

Mr. Brechtel – Stated I believe that we do. I purchased a ranch in Sarcobatus at the junction of Scotty's Valley highway and that ranch has 16,000 acre feet of water. We own and we invested in the water rights in Sarcobatus Valley because that is where the water is.

Ms. Harlan – Stated that was originally for domestic and agricultural. Can that be converted to mining?

**6 Presentation Continued – Corvus Gold North Bullfrog Project; Carl Brechtel**

Mr. Brechtel – Stated we haven't converted it and we won't until we are ready to start the project and then we'll have to go to the State Engineer and negotiate to convert and when we convert we'll lose a certain proportion of them. The State will take them from us because that will be part of the deal and then we will try to shift the source further south in the basin closer to where the property is.

Ms. Harlan – Asked will you do that by pipes?

Mr. Brechtel – Stated we think that the water is right out there in the flats and so we want to pump it out closer to us and the project location but we'll have to negotiate again with the State Engineer to do that and that's allowed because we are a temporary user. If we were a permanent user like a ranch or something it would be a different setting but because we will only have a life of 15 years or so we would temporarily transfer the extraction point and then after we're done it would go back up to the ranch. We felt that it was important that we played inside the existing resources and the people who owned and controlled them so we went out and purchased it (the ranch).

Mr. Verrilli – Asked what basin is that in?

Mr. Brechtel – Stated that's in Sarcobatus Basin, which is 146.

Unidentified Audience – Asked so this facility that you are putting in will be just like the Barrick one that was out here or similar?

Mr. Brechtel – Stated the middle one will be identical except it will be smaller than Barrick, unless something unknown grows. The thing that will be different is that Barrick didn't have a heat leach. This will have a big heat leach facility as well which will be a large pile of rock where we can build containment under it for when we sprinkle the cyanide solution on it and then when it's all over we will reclaim the contours of the hill like they did over there.

Ms. Harlan – Asked will that be recyclable water?

Mr. Brechtel – Stated the water is captured on an impermeable liner and over time the cyanide concentrations in the rock are diluted by the water passing through the plant. So we keep pumping water on it until we get the solutions coming out of it down to a regulatory perspective and then there has to be containment. The containment remains in place and any water that's coming out of it goes into that containment. I think down here that won't last long and eventually it will be completely dry. The tails facility over here (Barrick by Rhyolite) took longer because it had a huge amount of water in it, it was a lake. So it took years and years to get the water out of it.

DG – Thanked Carl

**7 Board Member's Comments (This item limited to announcements or topics/issues proposed for future workshops/agendas)**

KC – None; EG – None; RR – None;

CT – Read a letter from the Happy Burro announcing their Volunteer Appreciation Day taking place on August 13, 2016 from 2pm to 6pm at Cottonwood Park. Dinner is \$7.00 per plate and all proceeds are donated to the Beatty Volunteer Fire Department and Beatty Volunteer Ambulance Services split 50/50. This event recognizes all community volunteers, emergency services, local boards, etc. If you are interested in volunteering to work at the event, donate raffle prizes or anything else that you think would help make the event a success please contact Wendy at the Happy Burro.

DG – Stated at 11:00am on Sunday here at the Community Center they are having a service for Keith Kearns, food will be served after. Keith was an 18 year member of the Fire Department and also served on the Ambulance Service and he was a past Town Board Member. I think he did more good for this town than a lot of people give him credit for, 11:00am Sunday.

**8 Reports**

- i. Beatty Chamber – None**
- ii. Beatty Habitat Committee – None**
- iii. Beatty Library – Shirley Harlan – Stated that they received a notice form the American Library Assoc., in February, about an EBSCO grant to convert libraries across the Country to solar. The Beatty Library applied for the grant last week. A study of power usage indicated that we could save \$1,300.00 per year. Also, Valley Electric since it's a cooperative are working with us and they are very supportive of this whole project for solar. They are establishing a community solar project in Pahrump so that they would be able to buy back any energy that is excess or give credit for it. There is a copy of the evaluation at the Library if you would like to view it.**
- iv. Beatty Medical Clinic - None**
- v. Beatty Museum – Amina Anderson – Stated that there are 2 one year term board member openings if anyone is interested please stop by the Museum.**
- vi. Beatty Senior Center – None**
- vii. Beatty Town Square – EG – Stated we are working on the in-kind match, we have emailed Jen and the Nye County Grant Administrator. We are hoping to order the hardscape items this week which is 4 to 6 weeks for delivery.**
- viii. Beatty Volunteer Fire/Ambulance – None**
- ix. Commissioners – None**
- x. Desert Hills Cemetery – None**
- xi. Nye County Emergency Services – None**
- xii. Nye County Sheriff's Department – None**
- xiii. Ordinances – None**
- xiv. Other –**
  - Beatty Economic Development, Inc (BEDC) – None**
  - Beatty General Improvement District (BGID) - None**
  - Beatty Water & Sanitation District (BWSD) – Amina Anderson – Stated that the tentative Budget Hearing is scheduled for the 19<sup>th</sup>.**
  - Boy Scouts – Brooke Johnson – Stated that they are very short on leaders please spread the word, they really need more help.**
  - Beatty Health & Welfare - None**
  - Other Community or Civic Organization – DG – Stated the VFW had 65 bikers out of Reno last week Thursday – Saturday, they had a great time and have committed to coming back next year. They were out at Spicer's Mountain Bike event this past weekend serving breakfast to the participants. They had a good turnout with 200 or so riders.**
- xv. Secretary**

Carrie Radomski; Town Secretary – Reported monies for services collected in April; Notary \$50.00, Fax \$3.00; Community Center Rental \$375; for a total of \$428.00

Information received by and available at the Town Office; Congressman Cresent Hardy Seniors Resources Week Tuesday May 10<sup>th</sup> at the Beatty Community Center 10am to 11:30am, Beatty Elementary School Kindergarten Pre-registration and Assessment Schedule Child Find (ages 3-5) Sign-ups Thursday May 12 through Friday May 13<sup>th</sup>, Red Rock Audubon's Oasis Valley BIRD Walk Saturday May 21<sup>st</sup> starting at 8am, meeting location Eddie's World parking area near the river. Questions call Christiana Manville 702-672-1411; United States Nuclear Waste Technical Review Board Survey of National Programs for Managing High-Level Radioactive Waste and Spent Nuclear Fuel- Update – A Report to Congress and the Secretary of Energy February 2016.

**xvi. Treasurer**

EG – Reported 83% of the year elapsed as of April 30, 2016.

Department	Expenditure	Balance	
Admin	\$140,651.94	\$344,951.06	29% of the budget used
Translators	\$2,546.88	\$2,453.12	51% of the budget used
BVFD	\$134,633.98	\$55,484.02	71% of the budget used
Cemetery	\$2,359.58	\$7,640.42	24% of the budget used
Com Cnt Serv & Supplies	\$17,130.99	\$182,869.01	9% of the budget used
Chamber	\$30,477.97	\$8,858.03	77% of the budget used
Museum	\$27,614.54	\$11,721.46	70% of the budget used
Town Tourism	\$5,815.16	\$112,193.84	5% of the budget used
Capital Projects	\$0	\$489,328.00	0% of the budget used
Special Capital	\$0	\$149,255.00	0% of the budget used
Room Tax Capital	\$10,619.33*	\$156,300.67	6% of the budget used

\*Town Square project expenses

**9 Consent Agenda Items**

**a. Action – Discussion of any Item from the Consent Agenda Items that needs review before a decision is made.**

**b. Approval of Town Vouchers**

*RR – Motion to pay the town vouchers in the amount of \$1,432.31; Second CT; 5-0*

**10 General Business**

**a. For Possible Action – Discussion, deliberation, and decision to approve a request to use the Community Center Monday through Thursday 8am to 9:30am for an exercise group being headed up by Brooke Johnson and all matters pertaining thereto. – Brooke Johnson**

Brooke Johnson – Stated we have a group of women who get together at the library for a reading group with our kids and we thought it would also be fun to get together to work out. We wanted to see if we could use the Community Center Monday through Thursday from 8am to about 9:30am. I would like to put it out to all the women in the community, put it on facebook, put out flyers to get as many women involved and to build friendships.

DG – Asked, will you need audio/visual equipment?

Ms. Johnson – Stated that would be fantastic if it's available.

DG – Stated our rates are reasonable.

Carrie Radomski; Town Secretary – Stated all we have is an agreement that says if you break it you will pay to replace it.

DG – Asked if anybody had any questions?

Unidentified Audience – Asked what kind of exercises will you be doing?

Ms. Johnson – Stated we were planning some pretty intense exercises, but there is another group that meets at 11am. We have planned cardio exercises like Zumba, P90X; those types of exercises. We want to sweat; Discussion followed.

*RR – Motion to approve the request for the use of the Community Center Monday through Thursday from 8am to 9:30am for the exercise group; Second CT; 5-0*

**b. For Possible Action – Discussion, deliberation and decision to approve Beatty General Improvement’s request for reimbursement of up to \$2,500.00 (two thousand five hundred dollars) for the purchase of supplies/materials to be used for mosquito abatement in Beatty – Beatty General Improvement; Amina Anderson**

Amina Anderson; BGID Board Member – Stated we are looking at spending almost \$6,700.00 and if you guys would like to pitch in too that would be great.

EG – Stated you will be talking to an expert but all three types are needed; the pellets, the briquettes and the fog.

Ms. Anderson – Stated we went through it and it is really hard to gauge.

RR – Stated it really is hard because if you get rain it changes how the water behaves. I was the first one to apply this stuff years ago. One thing that helps is that they rerouted most of the water out at Revert Springs.

Ms. Anderson – Stated I was out there and actually a lot of those springs and seeps are really stagnant in a lot of places.

RR – Stated when we first started that whole area was swamp, they cleared out a lot of it.

EG – Stated it’s a good estimate and my thing is so that you don’t get caught short handed is that you get the two bags of pellets right up front and the 150 day briquettes so that you are not shorthanded and so that you can get a good system going.

Ms. Anderson – Stated it is really going to depend on how you apply it and the correct application that will save the most money.

DG – Asked when is the last time we applied this?

Carrie Radomski; Town Secretary – Stated 2012, maybe 2013, Vance (Payne) gave us some bags of pellets he had laying around, so a couple of years ago.

Ms. Harland – Asked if you have permission from the private property owners to do this on their property?

RR – Stated that being that this is a health related thing we (BGID) never did in the past.

Ms. Harland – Stated I think there are certain types of eradication that are not good for the toads and the environment around here.

EG – Stated this stuff is safe for the toads.

RR – Stated it’s the same stuff we used last time, it’s the safest stuff for everything in there (the riverbed).

Ms. Harland – Asked is it people safe and plant safe?

Ms. Anderson – Stated yes and livestock.

EG – Stated yes I read it. If you are doing the riverbed and stagnant areas it’s okay but if you are going on people’s property I guess you should ask them.

DG – Stated most of this, 90% is in the riverbed. I see that Vance said that he would come up and help for training or... Does BGID have somebody that can do this?

Ms. Anderson – Stated Carmelo, he will have to be trained.

DG - Asked the Board for questions or comments.

RR – Stated it’s a great thing and it’s needed.

*RR – Motion to approve Beatty General Improvement’s request for reimbursement of up to \$2,500.00 (two thousand five hundred dollars) for the purchase of materials to be used for mosquito abatement; Second CT; 5-0*

DG – Asked do we need to specify the fund to take this from.

EG – Stated lets use admin general.

**11 General Public Comment**

None

**12 Adjournment**

*KC- Motion to adjourn at 7:31pm; Second RR; 5-0*