

Endangered Species Found at Planned Gold Mine

By Mark Madler
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The U.S. Fish and Wildlife Service announced Thursday that a snail found at a proposed gold and silver mine in the Antelope Valley may warrant protection under the Endangered Species Act – possibly slowing the opening of the mine.

The service made its decision in response to a petition filed last year by the Center for Biological Diversity to seek emergency protection of the Mojave shoulderband snail, a half-inch mollusk only found in that region of the desert.

The snail has a range of less than eight square miles, nearly all of it where Golden Queen Mining Co. Ltd. has plans for the Soledad Mountain Project, a fully permitted open pit mine outside of the city of Mojave in Kern County.

Attempts to reach a representative of Golden Queen for a response were not successful.

Tierra Curry, a senior scientist with the Center for Biological Diversity, an environmental non-profit based in Tucson, Ariz. said the organization is not trying to shut down the mine but keep the snail from going extinct.

“Condemning this snail to extinction would be an unnecessary tragedy because the species can be saved if the mining company sets aside and buffers some of the snail’s known habitat

on Soledad Mountain,” Curry said in a prepared statement.

The Fish & Wildlife Service will conduct a one-year status review of the snail and should issue a listing proposal in April of next year.

The center also notified the Eastern Kern Air Pollution Control District that the agency is required to conduct a new analysis under the California Environmental Quality Act on the impact the mine will have on the snail.

Golden Queen, a Vancouver, British Columbia company, is fully permitted to remove 14 million tons of rock material a year. Out of that an expected 74,000 ounces of gold should be extracted, as well as 781,000 ounces of silver. At today’s prices, the gold haul for the life of the mine would be more than \$968 million.

Golden Queen acquired the mine in 1985 and over the past dozen years has invested about \$60 million in metallurgical testing and engineering work, environmental studies and extensive drill programs. Construction for the mining infrastructure is expected to total about \$119 million.

Last year, Gauss LLC entered into a joint venture with Golden Queen with an investment of \$110 million for a 50 percent stake in the mine.

Gauss is a joint venture between Leucadia National Corp., a publicly traded holding com-

pany in multiple industries headquartered in New York, and Auvergne LLC, an investment vehicle owned by members of the Clay family, who are also the largest shareholders in Golden Queen.

Golden Queen is a publicly traded company listed on the Toronto Stock Exchange in Canada. Last year, the company reported no revenue and a net loss of \$8.5 million attributed to fees related to forming the joint venture with Gauss.