



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT
OF
ENVIRONMENTAL QUALITY



Misael Cabrera
Director

CERTIFIED MAIL
Return Receipt Requested

May 17, 2017

Sino Vantage Group, Inc.
Attention: Songqiang Chen
1650 S. Amphlett Blvd.
Ste. 200
San Mateo, CA 94402

Case ID #: 175448

Re: Notice of Violation issued to Sino Vantage Group, Inc.

Dear Mr. Songqiang Chen:

The attached Notice of Violation ("NOV") is an informal compliance assurance tool used by ADEQ to put a responsible party (such as a facility owner or operator) on notice that the Department believes a violation of an environmental requirement has occurred. It describes the facts known to ADEQ at the time of issuance and cites the requirement that ADEQ believes the party has violated.

Although ADEQ has the authority to issue appealable administrative orders compelling compliance, an NOV has no such force or effect. Rather, an NOV provides the responsible party an opportunity to do any of the following before ADEQ takes formal enforcement action: (1) meet with ADEQ and discuss the facts surrounding the violation, (2) demonstrate to ADEQ that no violation has occurred, or (3) document that the violation has been corrected.

ADEQ reserves the right to take a formal enforcement action, such as issuing an administrative order or filing a civil lawsuit, regardless of whether the Department has issued an NOV. Neither ADEQ's issuance of an NOV nor its failure to do so precludes the Department from pursuing these remedies. However, the timeliness of a complete response to this notice will be considered by ADEQ in determining if and how to pursue such remedies.

Sincerely,

Andy Koester, Manager
AZPDES Individual Permits Unit

CC:

Songqiang Chen, Sino Vantage Group, Inc. (Certified Mail)
1065 E Hillside Blvd.
Ste. 328
Foster City, CA 94404

Enclosure: ADEQ Notice of Violation Case ID [Case ID #]

Main Office

1110 Washington Street • Phoenix, AZ 85007
(602) 771-2300

Southern Regional Office

400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

www.azdeq.gov

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Case ID #: 175448

May 17, 2018

Sino Vantage Group, Inc
Attention: Songqiang Chen
1650 S Amphlett Blvd
Ste 200
San Mateo, CA 94402

Subject: Senator Mine, Place ID 154018
South Of The Senator Hwy About 1/4 Mile West Of The Junction Of The Senator Hwy And
Walker Rd.

NOTICE OF VIOLATION

The Arizona Department of Environmental Quality (ADEQ) has reason to believe that Sino Vantage Group, Inc as the owner/operator of Senator Mine has violated a requirement of the Arizona Revised Statutes (A.R.S.), a rule within the Arizona Administrative Code (A.A.C.), or an applicable permit/license, administrative order or civil judgment. ADEQ discovered the violations alleged below during a file review completed on May 07, 2018.

I. LEGAL AUTHORITY and NATURE OF ALLEGED VIOLATION(S)

1. **A.R.S. § 49-255.01(A)**

Addition of a pollutant to navigable waters from a point source without a permit.

The Senator Mine is located south of the Senator Highway about 1/4 mile west of the junction of the Senator Highway and Walker Rd in Yavapai County. The mine site consists of a tailings pile and an adit. The majority of the mine site and the adit is located on Yavapai County Parcel 205-14-246P. Yavapai County Assessor's records list Sino Vantage Group, Inc. as the owner of the parcel.

The adit continuously discharges into the Hassayampa River which flows adjacent to the mine site. ADEQ's Hassayampa River Cadmium, Copper, and Zinc Total Maximum Daily Load (TMDL) was approved in 2002. The TMDL study identified the adit and tailing pile as sources of cadmium and zinc under low-flow conditions. The tailings pile also contributes copper under spring run-off (snow melt) conditions.

ADEQ has no record of Sino Vantage Group, Inc., as partial owner of the Senator Mine, obtaining permit coverage for discharges of the mine drainage or stormwater discharges from the Senator Mine into the Hassayampa River.

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II. DOCUMENTING COMPLIANCE

1. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or file a Notice of Intent (NOI) to discharge stormwater under the Multi-Sector General Permit (MSGP).

A myDEQ account is required to apply for a NOI. To create a myDEQ account, visit:
<http://www.azdeq.gov/mydeq/home>.

Prior to filing the NOI, a Stormwater Pollution Prevention Plan (SWPPP) that meets the requirements of the MSGP Section 5.0 must be developed and implemented in accordance with Permit AZMSG2010-003. A free template is available on the ADEQ website (<http://www.azdeq.gov/node/525>) and will also be provided at request.

2. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or a complete and signed digital copy of the SWPPP for review in accordance with Permit AZMSG2010-003, Appendix B, Paragraph 8, Duty to Provide Information, including the associated \$1,000 fee required by A.A.C R18-14-109.
3. Within 45 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit a comprehensive plan prepared by a professional with appropriate credentials (registered engineer, geologist, hydrologist, etc.) that includes, but is not limited to:
 1. A description of measures that have been taken or will be taken to address the unpermitted discharges from the adit and other mine-related into the Hassayampa River;
 2. Milestones and deadlines for completion.
4. Within 120 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or documentation, including a written summary of completed work plan activities and photographs demonstrating that the discharges into the Hassayampa River have been stopped.

III. SUBMITTING COMPLIANCE DOCUMENTATION

Please send all compliance documentation and any other written correspondence regarding this Notice to ADEQ at the following address:

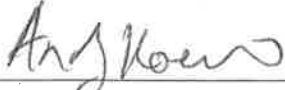
Arizona Department of Environmental Quality, Attention: Mindi Cross, AZPDES Individual Permits Unit,
1110 W Washington St, Phoenix, AZ 85007 MC: N/A

IV. STATEMENT OF CONSEQUENCES

1. The time frames within this Notice for achieving and documenting compliance are firm limits. Failure to achieve or document compliance within the time frames established in this Notice will result in an administrative compliance order or civil action requiring compliance within a reasonable time frame, substantial civil penalties, and/or the suspension or revocation of an applicable permit/license. ADEQ will agree to extend the time frames only in a compliance schedule negotiated in the context of an administrative consent order or civil consent judgment.
2. Achieving compliance does not preclude ADEQ from seeking civil penalties, and/or suspending or revoking an applicable permit/license for the violation(s) alleged in this Notice as allowed by law.

V. OFFER TO MEET

ADEQ is willing to meet regarding this Notice. To obtain additional information about this Notice or to schedule a meeting to discuss this Notice, please contact Mindi Cross at (602) 771-2209.



Andy Koester, Manager
AZPDES Individual Permits Unit



Mindi Cross
AZPDES Individual Permits Unit