12/13/2018: To the Editor: Stibnite Gold Project is not a strategically important mine

In his Nov. 29, 2018, letter to the editor, John Meyer, VP Development, Midas Gold Idaho, argues that the Stibnite Gold Project will help address the United States' "mineral dependency issues." ("Stibnite project would lessen reliance on foreign minerals," The Star-News).

However, quite noticeably, or perhaps cleverly, Mr. Meyer does not identify the actual strategic mineral(s) that the Stibnite Gold Project would produce or why those minerals are strategically important to the United States. We would, therefore, like to take this opportunity to provide you with a few facts regarding the strategic importance of the proposed Stibnite Gold Project.

First, the primary purpose of the proposed project is the production of gold. In terms of revenue from production, Midas Gold, according to its 2014 Prefeasibility Study, expects to produce approximately $5.4 billion in gold, out of a total revenue stream of $5.7 billion, during the 12-year life of the Stibnite Gold Project. This means that gold accounts for 95 percent of the total projected revenue from the aptly named Stibnite Gold Project.

Second, the United States is not reliant on gold production, and the United States government does not consider gold a strategic or critical mineral. In fact, the Department of Interior, acting under the Trump Administration, did not include gold in a published list of 35 mineral commodities "considered critical to the economic and national security…to break America's dependence on foreign minerals." Also, during the period of at least 1996 to present, the United States has been a net exporter of gold

So, what is Midas Gold making so much noise about? As it turns out, the Stibnite Gold Project "might" produce antimony as a by-product of its gold production, and antimony was included on DOI's list of 35 mineral commodities considered critical or strategic to the United States.

If Midas Gold were to recover and produce antimony, it would produce approximately 67.9 million pounds of the metal over a period of 12 years, earning the company $300 million, or 5 percent of the Stibnite Gold Project's total projected revenue stream.

Would this be a significant amount of antimony? While a supporting report by the USGS mentions the Stibnite Gold Project as a potential source of antimony in the United States, the report notes that the "(e)nhanced recovery of antimony from precious-metal deposits may represent the most readily available source of antimony if demand were to increase rapidly."

In other words, antimony is common in many precious metals mines in the United States and the numerous gold and silver mines in operation today in the United States, in places like Nevada, could easily fulfill any need for domestic antimony production.

Antimony has not been recovered domestically to date, however, because it has not been economical to do so. Also, mined antimony would currently need to be shipped outside of the United States due to a lack of refinement capacity in the United States.

This seems to undermine any argument by Midas Gold or anyone else that antimony needs to be mined domestically for strategic or national security reasons and that it needs to be mined at Stibnite.

In short, the Stibnite Gold Project is not a strategically important mine and it is disingenuous for Midas Gold to pretend otherwise. It appears, rather, that Midas Gold is attempting to exploit a commodity that is, at best, a minor component of its Stibnite Gold Project and that the Stibnite Gold Project may not even produce.

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