

Franklin P. Perdue School of Business Department of Economics and Finance Salisbury University 1101 Camden Avenue Salisbury, MD 21801-6860 410-548-2500 1-888-543-0148 TTY 410-543-6080 FAX 410-677-5375 www.salisbury.edu

Payette National Forest All Units 800 West Lakeside Ave, McCall, ID, 83638-3602 brian.d.harris@usda.gov

Re: Perpetua Resources Stibnite Gold Project Supplemental Draft Environmental Impact Statement

Dear Review Committee, and to Whom It May Concern:

It's time to take the final step to reshore U.S. mining for battery metals. The United States depends on China for more than half of the minerals and metals deemed critically important for our nation's economic health and military readiness. While China has made mineral production and processing a strategic priority, the United States has done the reverse. Mining in the United States has been pushed to the margins. Perpetua Resources aims to change this current state of the industry.

As recently as the 1990s, the U.S. was the world's largest producer of rare earth minerals. Today we have just one rare earth mine remaining and the U.S. must ship its ore to China for processing. Demand for rare earths is massive and growing. The Massachusetts Institute of Technology says a wind turbine rated at 3.5 megawatts of electricity contains 1,300 pounds of rare earths.

There are zero antimony mines and only one lithium mine left in the U.S., as well as one for nickel, one for cobalt, one for manganese. These raw materials are vital to the manufacture of batteries used in electric vehicles and the transmission of solar and wind power on the nation's electricity grid.

The problem isn't a lack of mineral resources in the U.S. The National Mining Association says the U.S. is home to \$6.2 trillion worth of mineral reserves.

Our country is 100-percent import-dependent on 18 minerals and metals considered "critical" by the defense or interior departments. And we are at least 50 percent reliant on many more minerals and metals. The reality is we rely on China, Russia, Afghanistan and other adversaries for two-thirds of the minerals and metals we import.

Make no mistake, the magnitude of America's import dependency is as immense as it is ominous. Minerals and metals are the key to the entire clean energy transition from fossil fuels to renewable energy. With the production of more EVs and wind turbines and solar panels, competition between countries for scarce minerals and metals will become intense. The International Energy Agency says global demand for minerals and metals could grow as much as six-fold by 2040.

Let's be clear: As the need for minerals grows, we could wake up to the formation of a minerals cartel similar to the one OPEC created to boost oil prices.

Despite the enormous stakes, nothing has been done to make America's own minerals on public lands more accessible to mining companies. A complex permitting process is the problem, requiring companies to wait 10 years or more to get government approval to mine in public lands. This is shackling the transition to EVs and clean energy technologies with huge, growth-killing costs.

During negotiations over the climate bill, President Biden agreed to push for permitting reform that would cover a number of things, including mining, but proposed legislation is stalled in Congress. One problem is opposition from antimining environmentalists who claim that recycling is the answer. But recycling is five times more expensive than mining.

Missing is any awareness of the enormous quantities of minerals and metals that US manufacturers require. Without the creation of new mines, the minerals crisis is going to put the energy security in the United States at risk.

Despite the need for more domestic production, the Biden Administration is floating the idea of using government subsidies to open new mines overseas. Undersecretary of State Jose Fernandez told Axios the Administration is considering financing "around a dozen" mining projects around the world. The money would be provided by the U.S. Export-Import Bank and the Development Finance Corporation, with possibly some funds distributed by the Mineral Security Partnership, a Biden Administration program that was created to leverage international relations to address U.S. mineral supply concerns. But paying for foreign mining would redirect emphasis on mineral production away from the United States and toward foreign countries.

We should stop pretending that domestic mining is unessential. The best way to keep the competition for minerals from erupting into a conflict with China is for the United States to do what has served it so well for over a century: to offer a viable alternative to imports based on increased domestic mining.

The opinions expressed in this article are the author's and do not reflect any views of Salisbury University.

Thank you,

Dan Ervin, Ph. D. Professor of Finance Perdue School of Business Salisbury University