

Data Submitted (UTC 11): 10/28/2020 6:00:00 AM

First name: Benjamin

Last name: Davenport

Organization: Idaho Mining Association

Title: Executive Director

Comments: See Attached. Thank you for the opportunity to provide comment.

I. Introduction

The Idaho Mining Association (IMA) is pleased to submit these comments on the Draft Environmental Impact Statement (Draft EIS) that the Payette and Boise National Forests (Forest Service) published in August 2020 for Midas Gold Idaho Inc.'s (Midas Gold's) proposed Stibnite Gold Project (SGP) in Valley County, Idaho. IMA strongly supports the SGP, which we believe is a project of importance to Idaho and the Nation. Because the SGP will create many environmental and economic benefits and will become the Nation's only domestic mine that will produce the critical mineral antimony¹, the Forest Service should authorize this project on an expedited basis.

The Forest Service has had roughly four years to study and evaluate the Plan of Restoration and Operations (the PRO) that Midas Gold submitted in September 2016 and which the Forest Service declared as technically adequate in December 2016. As a result, the affected environment in the project area is well understood and fully described in Chapter 3, and the environmental consequences described in Chapter 4 of the Draft EIS reflect detailed, careful, and thorough analyses. It is now time for the Forest Service to complete the National Environmental Policy Act (NEPA) process for the SGP by publishing the Final EIS and issuing the Record of Decision authorizing the SGP as soon as possible.

It is very fortunate that Midas Gold is proposing to make a \$1 billion investment in restoring and redeveloping the Stibnite project area. Idaho and the entire nation will benefit from the environmental restoration measures that Midas Gold has integrated into a state-of-the-art mining project. The proposed restoration activities will address environmental problems produced by pre-regulation mining that dates back to the 1890s and to an intense period of mining during World War II and the Korean War when the federal government was involved with mining tungsten and antimony to supply some of the specialty metals that the military needed to win these conflicts. Midas Gold's proposal to remove the 80-year old barrier to upstream fish migration at the Yellow Pine Pit will reconnect the East Fork South Fork of the Salmon River and allow volitional fish migration to their native spawning grounds. For the first time in decades, Idaho Tribes with rights and interests in the Stibnite area will once again be able to access a viable fishery.

A. About the Idaho Mining Association

IMA is a non-profit, non-partisan, state-wide trade association located in Boise, Idaho. IMA is the recognized voice in support of exploration and mining in the state of Idaho. Our purpose is to advocate for a sustainable mining industry that benefits our state and local communities, while advancing the mineral resource and mining related interests of our members. We represent and inform our membership on legislative, regulatory, safety, technical, and environmental issues that surround the mining industry. We are committed to the protection of human health, the natural environment, and a prosperous mining industry.

Since 1903, IMA has represented miners and mining companies engaged in mineral exploration, mineral developments, and land reclamation throughout the state of Idaho. Our membership also consists of companies and industries that provide services to the mining industry within the state. IMA and its members are dedicated to responsible and sustainable mineral extraction in Idaho and our member companies continue to utilize and

explore more innovative and science-based methods to extract minerals needed for everyday life while protecting and preserving the environment in Idaho for future generations. IMA members live, work and play in Idaho's National Forests, including the Payette, Boise, and Salmon-Challis National Forests where the SGP project area is located.

II. Environmental Stewardship, Leadership and the SGP

IMA applauds Midas Gold for making the extraordinary corporate commitment to invest \$1 billion to restore and redevelop the Stibnite site. Developing the PRO has taken vision, leadership, perseverance, and considerable financial resources. The Company has already spent over \$180 million to study, plan, design, and permit the SGP, and to repair some of the environmental damage at the site.

But Midas Gold is not the only entity demonstrating vision and leadership. The Forest Service has also shown leadership in conducting the NEPA process to date, consulting with stakeholders, coordinating with other federal agencies and Tribes, and developing the Draft EIS. IMA commends the Forest Service for preparing a comprehensive Draft EIS and urges the agency to continue to exercise leadership throughout the remainder of the NEPA process in order to prepare the Final EIS and Record of Decision quickly.

The Forest Service will undoubtedly receive comments from mine opponents that criticize the SGP. Many of these commenters do not live in Idaho. They never have and never will set foot in Valley County. Their comments will be designed to delay and even thwart development of the SGP. Although IMA understands that the Forest Service must respond to all comments received on the Draft EIS, we ask the Forest Service to not allow comments from anti-mining groups to exert undue influence and achieve their goal to delay the NEPA process. It is important to remember that many anti-mining groups always oppose proposed mining projects regardless of where the project is located or what the project is proposing to accomplish. It's their job; it's what they do.

On the other hand, as explained very well in Section 1.4.1 of the Draft EIS, the Forest Service's job (its Purpose and Need) is to fulfill the agency's statutory and regulatory obligations established in the Organic Act of 1897 (16 U.S.C. [sect] 478) and the Forest Service's 36 CFR Part 228 Subpart A surface management regulations for locatable minerals (228A regulations). The Forest Service must also respond to Midas Gold's rights under the U.S. Mining Law (30 U.S.C.

[sect][sect] 21a et seq) and the Surface Resources Act of 1955 (30 U.S.C. [sect][sect] 610 - 615) to develop its mining claims and to conduct operations that comply with the 228A regulations and are reasonably incident to the proposed mining and mineral processing operation.

As shown in Table 1, the 228A regulations provide comprehensive environmental protection that includes requirements for specific environmental media and resources. Section 228.8(h) demands compliance with all other applicable federal and state regulations. As stated in Section 1.4.1, the Forest Service must ensure that the SGP will minimize adverse environmental impacts wherever feasible, that the project incorporates appropriate mitigation measures, and that it complies with other applicable federal and state regulatory requirements. In this manner, the 228A regulations and the Forest Service's requirements for the SGP establish a very high bar for environmental compliance. As a result of these standards and Midas Gold's corporate commitment to protecting and enhancing the environment, IMA has a high degree of confidence that the SGP will be a model of environmental stewardship and the environment will be fully protected during all phases of the SGP.

SEE LETTER SUBMISSION: Table 1: Environmental Protection Requirements in the 228A Regulations

Fulfilling this Purpose and Need and completing the tasks enumerated in Section 1.4.1 of the Draft EIS in an efficient and timely basis will require the Forest Service's ongoing commitment and leadership. IMA commends the Forest Service for the leadership it has demonstrated to date. Because the SGP will help restore the

environment, produce antimony, and create hundreds of jobs, it needs to be approved sooner rather than later. A protracted schedule for preparing the Final EIS and issuing the Record of Decision would be a disservice to the public and the environment. IMA thus respectfully asks the Forest Service to exert the leadership necessary to fast-track the approval of this important project. We understand that this will take considerable agency resources and request that the Forest Service devote the resources required to achieve this important mission.

III. Mining Law Rights

We especially appreciate the Forest Service's explanation in Section 1.4.1 of the Draft EIS that the environmental protection mandate in the 228A regulations applies to all NFS lands whether on or off of claims (36 CFR [sect] 228.8). IMA suggests that the Forest Service expand this explanation in the Final EIS to add that Mining Law rights extend to all NFS lands open to mineral entry, regardless of whether there are mining claims on the land.

Mining project proponents like Midas Gold have the Mining Law right to place mining facilities on or off of mining claims. This right applies to ancillary facilities such as tailings and waste rock storage facilities, roads, and other ancillary facilities reasonably incident to mining. If mining claims are used for ancillary facilities, the claims do not need to contain a discovery of a valuable mineral deposit because the discovery status of a mining claim is irrelevant and does not define the claimant's rights to use the claim. Consequently, the Forest Service must not consider claim validity in evaluating a mining Plan of Operations.

The Forest Service uses the guidelines in its Surface Use Determination Handbook (Forest Service Handbook 2809.15, Chapter 10), to determine whether a proposed use of NFS lands is reasonably incident to mining. This handbook contains the following explanation of the "reasonably incident" statutory standard in 30 U.S.C. [sect] 612(a) as meaning:

Reasonably incident. This is a shortened version of the statutory standard "prospecting, mining, or processing operations and uses reasonably incident thereto" (30 U.S.C. 612). It means reasonable and necessary uses of National Forest System lands for purposes that reflect sound practices that avoid or minimize adverse environmental impacts and are required for the various stages of operations. For a use to be reasonably incident, the type and level of use must be appropriate to the stage of operations and extent of information on the mineral resource.

Other guidance documents confirm that the Forest Service does not need to consider whether a claim contains a discovery of a valuable mineral deposit in conjunction with evaluating and approving a Plan of Operations. For example, on September 22, 2003, the Under Secretary of the U.S. Department of Agriculture sent an informational memorandum to the Chief of the Forest Service stating: "The Forest Service is not required to inquire into claim validity before processing and approving proposed plans of operation." A 2005 Solicitor's Opinion entitled "Legal Requirement for Determining Claim Validity Before Approving a Mining Plan of Operations," (M-37012) reached the same conclusion:

[hellip]I conclude that, although the Department may determine claim validity at any time until a patent is issued, the Department is under no obligation to determine mining claim or mill site validity before approving a plan of operations to explore for or develop minerals on lands open to the Mining Law's operation. (M-37012 at 2) [hellip]Decisions of the Department [of the Interior] and the U.S. Forest Service recognize that no law requires that the Secretary determine mining claim or mill site validity before approving a plan of operations on lands open to entry under the Mining Law."

On August 17, 2020, the Department of the Interior Solicitor issued a new Solicitor's Opinion M- 37057, "Authorization of Reasonably Incident Mining Uses on Lands Open to Operation of the Mining Law of 1872," that reaffirms and supplements the 2005 Solicitor's Opinion. The 2020 Solicitor's Opinion clarifies that "a mining claim is not a condition precedent to conducting or obtaining authorization to conduct reasonably incident mining uses

on open lands." Based on IMA's review of the PRO, we believe that all of the proposed mining and ancillary facilities are clearly reasonably incident to the mining and mineral processing operations proposed in the SGP.

IV. Environmental Problems at Other Mines are Irrelevant to the Forest Service's Evaluation of the SGP

A. The History of Mining and Environmental Laws

Mining at the SGP started in the 1890s, nearly a century before the enactment of any environmental laws applicable to mining or any industries, cities, factories or farms. Congress enacted a few environmental laws in the 1960s. Most of the environmental statutory framework that governs mining, all other industries, and development projects was enacted in the 1970s to 1990s timeframe. Consequently, historic mines throughout the western U.S. that were developed in the 1800s and the first half of the 20th century were unregulated. The environmental problems at Stibnite due to pre-regulations mining that started in the 1890s and continued through the 1940s and 1950s, when the federal government supported tungsten and antimony mining, are not unique.

Depositing tailings, waste rock, and other mine wastes in valley bottoms was the standard way miners used to manage mine wastes in those times. Many of the water quality problems at historic and abandoned mines in the western U.S. are the result of mine waste piles in and near streams. Although it is hard to imagine this indiscriminate waste disposal practice when viewed through today's environmentally conscious prism, it reflects an era when taking care of the environment was not on anyone's radar screen.

The enactment of federal and state environmental laws and regulations have dramatically changed the ways in which modern mines (and other industries) manage waste and care for the environment. Modern mines, manufacturing facilities, and industrial projects must comply with many stringent and comprehensive state and federal environmental protection laws and regulations. Thanks to these laws and regulations, modern mines like the SGP must be designed, built, and operated with numerous safeguards to protect the environment and install monitoring systems to verify the safeguards are functioning properly. Additionally, mining companies must provide federal and state regulatory agencies with financial assurance to guarantee the agencies will have sufficient resources to reclaim the land if for some reason the mining company is unable to do so. (See Section V for further discussion of financial assurance).

B. Looking at Mines of the Past Provides No Meaningful Information About the SGP

IMA anticipates the Forest Service will receive comments opposing the SGP that assert future development of the SGP will inevitably create new environmental problems. Such predictions typically look backwards instead of forward because they ignore and dismiss the effect that today's regulatory requirements for mining and financial assurance, including the Forest Service's 228A regulations, result in modern mines that protect the environment. IMA realizes that the Forest Service must consider all comments submitted on the Draft EIS. However, we request that the Forest Service not allow these comments to distract the agency from its mission to evaluate the site-specific issues and proposed environmental protection measures at the SGP.

Reports describing what happened in the past at other places are irrelevant to the Forest Service's task at hand, which is to examine the facts specific to the SGP proposal². The enormous amount of environmental baseline data that has been collected for the SGP, the level of planning and engineering described in Chapter 2 for the Proposed Action and project alternatives, the extensive environmental baseline studies presented in Chapter 3, and the detailed disclosure of environmental consequences in Chapter 4 of the Draft EIS are all based on a thorough and thoughtful evaluation of the substantial body of information available for this project. The Forest Service has the information it needs to make an informed and defensible decision about the SGP. Extraneous information about projects elsewhere that are submitted for the record are not germane to the Forest Service's decisions about the SGP and should not influence the Forest Service's decisionmaking process.

V. Idaho Rulemakings

IMA understands that several Non-Governmental Organizations (NGOs) have submitted comments on the Draft EIS that assert the Forest Service should not close the public comment period until after two Idaho State negotiated rulemaking processes are completed. The first rulemaking in question is for IDAPA 20.03.02, Rules Governing Mined Land Reclamation (Reclamation Rule) that implements the 2019 amendments to the Idaho Mined Land Reclamation Act (2019 Reclamation Act). The second rulemaking pertains to Idaho's Ore Processing by Cyanidation Rule (IDAPA 58.01.13) and governs the design, construction, and closure of facilities that use cyanide (cyanidation facilities). IMA has been at the forefront of both rulemakings. The NGO's demand for a delay due the ongoing rulemakings is unfounded, reflects a poor understanding of the Forest Service's 228A regulations, is premised on a red herring, and should be denied for the following reasons.

First, the Forest Service - not the Idaho Department of Lands (IDL) - will take the lead in determining the amount of financial assurance required for the SGP. Because the Forest Service will determine how much financial assurance will be required for the SGP, there is no reason to extend the Draft EIS public comment period until the rulemaking for the Reclamation Rule is concluded. (See 36 CFR [sect] 228.4(e) and 36 CFR [sect] 228.8(g)).

Secondly, IMA understands Midas Gold, the Forest Service, and IDL will use the Standardized Reclamation Cost Estimator (SRCE) software tool to calculate the required financial assurance amount. The SRCE was developed in Nevada, the country's largest hardrock mining state, where it has a proven track record of determining financial assurance requirements that consider all likely contingencies and accurately reflect an agency's costs to close and reclaim a site if necessary. Midas Gold's and the agencies' decision to use the well-established SRCE to calculate the required

financial assurance amount for the SGP is another reason the rulemaking for the Reclamation Rule is irrelevant and not a viable reason to extend the public comment period.

IMA has worked closely with IDL and other interested parties during the rulemaking process for the Reclamation Rule, just as we did in 2019 when the Idaho State Legislature enacted the updated Reclamation Act. The updated statute and associated rule jettison the previous one-size-fits-all, per acre fixed cost that determined financial assurance requirements under the previous version of the Reclamation Rule. The new Reclamation Act and Rule also establish that surface disturbance associated with underground mining activities must be fully bonded. The updated Act and Rule require site-specific calculations of actual reclamation costs for each mine component based on agency costs to perform the reclamation work - the same approach used in the SRCE.

Finally, the rulemaking process for the Reclamation Rule concluded before the end of the Draft EIS public comment period. On October 20, 2020, the Idaho State Land Board unanimously adopted an enforceable, temporary rule governing mined land reclamation. This temporary rule will remain in place until the Idaho State Legislature adopts the temporary rule as the final rule during the 2021 Legislative session.

Moreover, the NGO's comments about the financial assurance requirements for the SGP are premature at the Draft EIS stage of the NEPA process because the Forest Service must select the Agency's Preferred Alternative before the amount of financial assurance can be determined. At that point, the Forest Service will calculate the required amount of financial assurance and decide whether a separate funding mechanism like a trust fund will be necessary to provide long-term funding for maintenance and monitoring of the reclaimed site.

If the Forest Service decides that Midas Gold must provide a long-term financial assurance instrument in addition to the financial assurance to guarantee reclamation and closure of the site, the agency has the authority to structure the long-term instrument so that it provides funding in perpetuity if necessary for activities that could include operating and maintaining a water treatment facility, care and maintenance of project infrastructure, or maintaining and repairing the TSF embankment.³

The Forest Service will also adjudicate the financial assurance instruments that Midas Gold will use to satisfy the financial assurance obligation for the SGP to verify they meet the agency's 2004 guidelines for the types of financial instruments that are acceptable to the Forest Service. The NGO's stated concerns about allowing corporate guarantees are baseless because the Forest Service's 2004 guidelines⁴ clearly establish that mine operators cannot use a corporate guarantee to satisfy the Forest Service's financial assurance requirements.

In addition to the Forest Service's financial assurance requirements, two Idaho State regulatory agencies and a second federal agency will require separate financial assurance instruments before the project can start. The Idaho Department of Environmental Quality (DEQ) will require financial assurance to guarantee mineral processing facilities that use cyanide as a reagent are properly closed. Secondly, the Idaho Department of Water Resources (DWR) requires financial assurance to guarantee the long-term structural integrity and maintenance of the embankment for the tailings storage facility. On the federal side, the U.S. Army Corps of Engineers will require financial assurance for the wetlands compensatory mitigation project.

Similarly, the NGO's assertion that the Ore Processing by Cyanidation rulemaking process needs to be concluded before stakeholders can provide comments on the Draft EIS has no merit. IMA initiated this rulemaking in 2019 when it sent a letter to the DEQ Director requesting that DEQ revise this rule to move away from prescriptive design and construction requirements to performance-based outcomes for design, construction and closure of mineral processing facilities that use sodium cyanide as a reagent. IMA believes the current rule, which was adopted in 2006, has not kept pace with new environmental protection technologies and industry best practices that focus on site-specific performance standards rather than the prescriptive, one-size-fits-all standards in the 2006 rule. In response to IMA's request, DEQ initiated negotiated rulemaking to evaluate such changes and determine if the rules should be updated.

The NGO's claim that the rule must be finalized so they will know the liner design for the SGP facilities suggests they do not understand the jurisdiction of the Forest Service's 228A regulations, which govern impacts to surface resources on NFS lands. These rules do not establish specific liner design requirements or dictate how mine facilities must be designed and operated. They do, however, require mine facilities to comply with all other applicable state and federal regulatory requirements. Thus, the liner design criteria that will be specified in Idaho's new Ore Processing by Cyanidation rules will automatically be incorporated into the Forest Service's requirements for the SGP. Additionally, DEQ's permitting process for Midas Gold's proposed ore processing and tailings storage facilities will give stakeholders an opportunity to comment on the proposed liner design for the SGP.

The Draft EIS clearly states that Midas Gold has committed to using a liner design for the TSF that would comply with the State of Idaho's regulatory requirements in effect when the Forest Service issues its permit decision for the project. (See Footnote 1 to Table 2.2-1 in the Draft EIS.) Thus, the assertion that the cyanidation rulemaking needs to be completed to facilitate comments on the Draft EIS is another red herring.

VI. The 2008 Idaho Roadless Rule

IMA was surprised to see that the Forest Service has included minimizing road construction and use in areas subject to the 2008 Idaho Roadless Rule (2008 Rule) as a criterion used to evaluate the different road networks in the project alternatives. IMA believes the Forest Service has erred in including this criterion in its analysis because the 2008 Rule cannot be applied to roads that are used for mineral purposes on lands subject to the U.S. Mining Law.

The Forest Service published its final 2008 Rule in the Federal Register on October 16, 2008: "Final Rule for 36 CFR Part 294 Special Areas; Roadless Area Conservation; Applicability to the National Forests in Idaho, Subpart C - Idaho Roadless Area Management"⁵. In the final rule, the

Forest Service clearly states the 2008 Rule does not apply to locatable mineral activities authorized by the U.S. Mining Law:

"The final rule is clear that it does not regulate mining activities conducted pursuant to the General Mining Law of 1872. The Agency has separate requirements relating to road construction and maintenance for locatable minerals at 36 CFR 228.8(f) that adequately provide for these protections[hellip]Rights to reasonable access continue."

"Nothing in this subpart shall affect mining activities conducted pursuant to the General Mining Law of 1872." See 36 CFR [sect] 294.25(b).

These directives clearly exempt mineral activities on lands open to location from the 2008 Rule. Because the NFS lands on which the proposed SGP is located are subject to the U. S. Mining Law and open to mineral entry and location, the Forest Service cannot use the criterion of minimizing impacts to roadless areas designated in the 2008 Rule in evaluating the SGP. Therefore, minimizing impacts to roadless areas cannot be a factor in selecting the Agency's Preferred Alternative.

As noted in the final 2008 Rule, one of the reasons the Forest Service's final 2008 Rule exempts mining is that the 228A regulations already govern road construction and use for mineral projects. 36 CFR [sect] 228.8(f) includes detailed directives for road construction, maintenance and closure that establish performance standards that fully protect the environment. Thus, the road use restrictions and prohibitions in the 2008 Rule that apply to other activities are not required to protect the environment at mineral projects.

VII. Who Will Restore Stibnite - Taxpayers or Midas Gold?

A. Without Midas Gold's PRO the Public Will Become Responsible for Fixing Stibnite

Midas Gold's PRO is specifically designed with numerous project features and activities that will remediate many of the environmental problems created by pre-regulation mining activities at Stibnite. Appendix D of the Draft EIS provides a detailed description of the environmental protection and mitigation measures incorporated into the SGP. Table D-1 lists 156 mitigation measures required by the Forest Service and proposed by Midas Gold. Table D-2 list 75 additional mitigation measures that Midas Gold has proposed as design features for the SGP. These long lists of project mitigation measures attest to the level of careful planning, engineering, and analysis that both the Forest Service and Midas Gold have devoted to the SGP.

Implementing the roughly 230 mitigation measures that will be required to build and operate the SGP will be very costly. Midas Gold is prepared to invest the \$1 billion of private-sector capital that will be necessary to restore and redevelop the SGP. Idahoans and U.S. taxpayers should be very grateful that Midas Gold is prepared to fund and undertake this enormous job. Without Midas Gold's proposal, Stibnite probably would eventually be added to the long list of problematic historic mines in the western U.S. in dire need of restoration and reclamation. Most of these sites have created environmental challenges for many years and are likely to continue to degrade the environment for the foreseeable future because taxpayers funds are not available and there are no responsible private parties who can be compelled to pay to cleanup these sites.

According to Section 3.7.3.3 of the Draft EIS, EPA proposed adding the Stibnite mine site to the Superfund's National Priorities List (NPL) in 2001. To date, EPA has not put Stibnite on the NPL

- probably due to Midas Gold's involvement with the site and its proposed restoration and redevelopment plan. It seems likely, however, that if Midas Gold were not involved, the site would someday be added to the NPL and potentially cleaned up at some time in the future (possibly many years into the future) at taxpayer expense.

Even if taxpayer clean up funds become available in the future, there is a significant probability the funding will be insufficient to address all of the environmental problems. As noted in Section 3.7.3.3, taxpayer-funded remedial actions took place in the late 1990s and early 2000s that repaired some issues but left many un-remediated problems. The limited scope of the previous cleanup activities matched the funding that was available at the time - regulators did the best they could with the resources they had. However, they did not have adequate funding to address the environmental problems sitewide. Assuming that the past is prologue, any future taxpayer funding that eventually is earmarked for Stibnite will probably be similarly limited and will only be able to achieve targeted measures that will not take care of all of the problems. This outlook stands in marked contrast to Midas Gold's proposed holistic restoration plan for the entire site.

IMA understands that in 2012, there was a settlement agreement in which the EPA agreed that the potentially responsible private parties and the federal agencies⁶ involved with the historical mining activities at the site would not be held liable for future site remediation. This means there are only two options for cleaning up the Stibnite mine site: 1) Midas Gold can operate the SGP and perform the numerous restoration and mitigation activities in the PRO that will be accomplished at no expense to taxpayers; or 2) without the PRO, the Forest Service and Idahoans can wait for taxpayer funding to become available sometime in the future to eventually start the work necessary to remediate the site.

The choice seems simple and obvious. The Forest Service has an obligation to authorize the SGP so the proposed restoration can begin as soon as possible. IMA wants to emphasize that it is not suggesting the Forest Services' decision to authorize this project would be a pro forma rubber stamp. To the contrary, IMA expects the Forest Services' decision will include numerous stringent operating conditions and environmental protection measures including the 232 mitigation measures listed in Tables D-1 and D-2 in the Draft EIS and will ensure the SGP complies with the environmental protection mandate in 36 CFR [sect] 228.8 that requires mining projects minimize adverse impacts.

B. The No Action Alternative Would Sacrifice a Unique Opportunity to Use Private-sector Resources to Restore Stibnite

All NEPA documents must include the No Action Alternative as a baseline against which the impacts of a proposed action and project alternatives are measured. The No Action Alternative in the SGP Draft EIS is Alternative 5. In this case, the No Action Alternative presents an unusual situation compared to most NEPA documents because the No Action Alternative would perpetuate the existing environmental problems at Stibnite whereas the Proposed Action and the other action alternatives would improve the environment.

For mining projects subject to the U.S. Mining Law, the No Action Alternative is inconsistent with the project proponent's Mining Law rights and is therefore not selectable. However, there are also compelling environmental reasons why the No Action Alternative is not a viable or logical alternative for the SGP. Doing nothing at the site would result in the following undesirable outcomes: contaminants would continue to leach into area waterways; the Yellow Pine Pit would continue to fill up with sediment from Blowout Creek and eventually impede salmon migration altogether; and the public safety hazards associated with unstable mine waste piles would remain unabated.

Solving these problems by authorizing the PRO would result in significant environmental benefits for the Forest Service, the public, and the environment. Forgoing these benefits would create a lose-lose situation that would harm all stakeholders. Given the PRO's important environmental restoration benefits, the Forest Service cannot select the No Action Alternative, which IMA believes would be inconsistent with the environmental protection mandate in the Organic Act of 1897 (16 U.S.C. [sect] 478). IMA suggests that the Forest Service include a more thorough discussion in the Final EIS of the environmental rationale for not selecting the No Action Alternative. This discussion should explain how the current environmental problems at Stibnite would continue into the

foreseeable future and evaluate the resulting adverse consequences to water quality, aquatic habitats, and public health and safety.

C. Without the PRO, Tribal Access to the EFSFSR Fishery will Continue to be Degraded

IMA believes the discussions about Midas Gold's proposal to enhance riparian habitats and restore fish migration to native spawning grounds in the upper reaches of the East Fork South Fork Salmon River (EFSFSR) in Sections 4.12 and 4.24 of the Draft EIS do not adequately consider key relevant baseline conditions, lack context, and therefore undervalue this proposal.

Due to the presence of the Yellow Pine Pit, which the federal government helped create in 1938, ESA-listed fish species cannot migrate upstream of the pit. Midas Gold would remove this insurmountable barrier to upstream migration as part of its PRO. The temporary fish passageway that will be built in Alternatives 1 - 3 during Years 1 - 3 of the project will reroute the EFSFSR around the pit during the approximately six years of mining of the Yellow Pine Pit and its subsequent backfilling. Midas Gold has gone to exceptional lengths to design this passageway and is proposing to spend millions of dollars to build it in order to restore upstream fish migration early, during the construction period and even before mining operations commence. When the passageway is completed, fish will be able to migrate upstream, to their native spawning grounds for the first time in over 80 years.

Once mining is completed in roughly Year 7, Midas Gold will backfill the pit and reconstruct the EFSFSR channel, permanently reconnecting the entire length of the waterway, forever restoring both upstream and downstream fish migration for these endangered species. The channel reconstruction will be completed in about Year 11 of the project, allowing salmon, bull trout and other fish to return to the reconstructed EFSFSR. Midas Gold is also planning to restore and enhance riparian habitat in the upper EFSFSR, Meadow Creek, and elsewhere throughout the life of the project, thereby improving habitat and spawning grounds for the newly returned fish.

Because fish cannot currently migrate upstream past the Yellow Pine Pit, the fishery in the EFSFSR is in a significantly degraded condition. The Draft EIS does not give this current baseline condition adequate consideration in evaluating the benefits of restoring the EFSFSR drainage basin and the fishery and, by analogy, the Tribes' access to this fishery. Clearly, there is little point in accessing the upper reaches of the EFSFSR today because it lacks salmon. However, by Year 3 of the PRO, fish will be able to migrate upstream to this native spawning ground and the Tribes will once again be able to access a viable fishery.

It seems obvious that the PRO's activities to remove the Yellow Pine Pit fish migration barrier, and other barriers in the EFSFSR drainage basin, to enable upstream fish migration will create substantial improvements to the fishery that will benefit Idaho's Tribes. These benefits will start early during project development with construction of the temporary fish passageway and continue to expand during the life of the project. The PRO will achieve permanent restoration of the EFSFSR in about Year 11, which will create enduring benefits to the fishery, the Tribes, and others.

In evaluating the merits of the PRO's planned restoration of the EFSFSR fishery, which will provide the Tribes with meaningful access to a future thriving fishery, the question must also be asked - if Midas Gold doesn't perform this work, who will? It's important to remember that the federal government, (particularly the Department of Defense, with the approval of the U.S. Forest Service), was largely responsible for creating the Yellow Pine Pit barrier to the fishery when it was involved with mining at Stibnite during World War II and the Korean War. In 2012, the federal agencies entered into a consent decree that released themselves from further responsibility for cleaning up the legacy environmental impacts, including the Yellow Pine Pit that was created during wartime mining, under the umbrella of a consent decree with Bradley Mining⁷.

Other than Midas Gold, there are no other identified public- or private-sector entities that have expressed an interest in or the willingness to remediate the Stibnite site or have the funding to do so. Viewed in this context,

Midas Gold's PRO represents an exceptional opportunity for all stakeholders - including the Tribes with rights and interests in the Stibnite area - to capitalize upon Midas Gold's proposal to restore and redevelop Stibnite. It's important to understand that restoration and mining go hand-in-hand in the PRO. The restoration activities cannot take place without the mining activities for the following reasons: 1) some of the proceeds from mining the Stibnite gold-silver-antimony deposit will be used to finance cleanup of the problematic legacy features at the site; 2) mine personnel and equipment will undertake these large-scale removal actions; and 3) the TSF and other mine infrastructure will provide state-of-the-art engineered facilities where the removed legacy materials can be properly stored and no longer contribute contaminants to the watershed.

IMA recommends that the Final EIS clarify the essential synergies in the PRO between restoration and mining. Additionally, it should place the environmental benefits, including the substantial fisheries enhancement and restoration, in the proper context that acknowledges the degraded conditions at the site. The Final EIS should also clearly explain that, without Midas Gold's PRO, the Stibnite site and the EFSFSR fishery will likely remain in their current degraded condition for the foreseeable future, which will perpetuate the current impacts to fish migration and populations and therefore the Tribes.

VIII. Evaluating the Project Alternatives

The Draft EIS does a good job of describing the four action alternatives (e.g., Alternatives 1 - 4 and discussing the differences in the environmental consequences from each alternative. Section 2.8 of the Draft EIS includes a long list of potential alternatives ranging from different mining methods (underground versus open-pit mining)⁸, different tailings management techniques (filtered tailings, paste tailings, thickened tailings, and conventional low-density tailings), and different tailings storage facility (TSF) locations and construction methods. Many of these potential alternatives were eliminated from detailed consideration in the Draft EIS because they were not technically or economically feasible or did not provide any meaningful environmental advantage. Appendix G to the PRO methodically discusses why these potential alternatives did not meet the Company's objectives or satisfy the economic and technical feasibility or environmental benefits criteria that the Forest Service uses to define a viable alternative that needs to be evaluated in a NEPA analysis.

There are relatively few viable alternatives for the SGP due to the steep terrain in the project area, which limits the number of technically feasible and spatially possible configurations for the project facilities. The presence of the old mine waste pile and other mining features further complicates and constrains the practical locations for project facilities - especially given Midas Gold's objective to place facilities on previously disturbed land in order to minimize new surface disturbance.

IMA believes the number of alternatives evaluated in the Draft EIS is consistent with the Council on Environmental Quality's (CEQ's) new regulations implementing NEPA (40 CFR 1500 - 1508). Section 1502.14 of the new CEQ NEPA regulations that became effective on September 14, 2020 directs federal agencies to evaluate reasonable alternatives and limits the alternatives analysis requirement to a reasonable number of alternatives. This section also requires agencies to include appropriate mitigation measures that are not part of the proposed action or alternatives.

The four action alternatives analyzed in the Draft EIS present realistic options for configuring the project facilities. However, as shown in Table 2 below, Alternative 2 is clearly the most environmentally advantageous alternative.

Midas Gold developed Alternative 2 as a refinement to the original PRO that the company submitted to the Forest Service in 2016, which is the basis for Alternative 1. The proposed changes between Alternatives 1 and 2 are based on input that Midas Gold and the Forest Service received during the 2017 public scoping period and Midas Gold's extensive stakeholder outreach program over the past four years. IMA commends Midas Gold for working closely with stakeholders to improve the project by developing Alternative 2 and also applauds the Forest Service for evaluating it as one of the project alternatives.

SEE LETTER SUBMISSION: Table 2: Comparing Action Alternatives Environmental Benefits

Public comments on the Draft EIS could identify additional measures that would further reduce environmental impacts and create environmental benefits. If any such measures are identified that are technically and economically feasible, the Forest Service and Midas Gold should work together to incorporate them as mitigation measures pursuant to 40 CFR 1502.14(e).

The environmental protection mandate in 36 CFR [sect] 228.8 states: "All operations shall be conducted so as, where feasible, to minimize adverse environmental impacts on National Forest surface resources." This mandate requires mining Midas Gold to design and operate the SGP in a manner that creates the fewest adverse environmental impacts. This regulatory mandate also compels the Forest Service to select the project alternative that best balances the agency's and the project proponent's Purposes and Needs while minimizing adverse impacts to the environment. For some projects this can involve complex trade-offs to find the right balance of impacts to various and competing environmental resources.

However, in the case of the SGP, IMA believes the choice among alternatives is straightforward. There are many more environmental enhancements and advantages and no disadvantages associated with Alternative 2 (see Table 2). Therefore, Alternative 2 best fulfills the Section 228.8 mandate to minimize adverse impacts. For these reasons, the Forest Service should select Alternative 2 as the Agency's Preferred Alternative.

There are several important reasons why the Forest Service should not select the Alternative 3 TSF location in the EFSFSR in the Agency's Preferred Alternative. First, the Alternative 3 TSF would be located on currently undisturbed land. Secondly, building the TSF in this location would not capitalize on the opportunity to remove the 10.5-million ton problematic mine waste pile that would be reprocessed and repurposed prior to building the TSF in the Meadow Creek Valley/Spent Ore Disposal Area (SODA) location in Alternatives 1, 2, and 4. This mine waste pile is currently leaching contaminants into the EFSFSR. It would not make sense to give up the environmental benefits associated with eliminating this source of contaminants by selecting the Alternative 3 EFSFSR location for the TSF. Finally, there is a large paleo-landslide at the Alternative 3 TSF locations, which would make this a potentially dangerous place to build the facility. Building the TSF in a location with a known geohazard would irresponsibly create an unnecessary and completely avoidable risk.

A serious disadvantage associated with Alternatives 3 and 4 is the prolonged construction period needed for these alternatives compared to Alternatives 1 and 2. Midas Gold estimates that Alternatives 3 and 4 would delay project startup by at least two years. A two-year delay would adversely affect project economics and defer the substantial majority of economic benefits to future employees (direct, indirect and induced) as the additional time is consumed with relatively small-scale activities employing few people. This delay would also harm the communities due to the deferral of tax revenues associated with an operating mine. Further, Alternative 4 adds considerable risk due to geohazards (landslides and avalanches), which represent both a human safety risk but also an environmental risk if vehicles are wiped out or pushed into the river by a catastrophic landslide or avalanche.

As shown in Table 2, there are no environmental advantages associated with either Alternatives 3 or 4 that might partially offset the negative impacts due to delaying the project. In fact, a two-year project startup delay would actually harm the environment because the environmental problems associated with the legacy mining operation would remain unresolved for an additional two years. Consequently, Alternatives 3 and 4 should be rejected purely on the basis that they do not offer an environmental advantage, as required by NEPA to be considered to move forward, but also because of the negative economic impact.

IX. Dark Skies

Because the SGP will operate on a 24/7 basis, nighttime lighting will be required for operational and safety reasons. The SGP nighttime lighting plan will have to comply with the federal Mine Safety and Health Administration (MSHA) nighttime illumination requirements that focus on worker safety. If not properly managed, nighttime illumination has the potential to cause light pollution.

For IMA members, like so many Idahoans who hike, camp, hunt, fish, snowmobile, and sightsee in our National Forests, seeing the stars and planets against a very dark sky is an important part of our backcountry experience. The Central Idaho Dark Sky Reserve is located about 45 miles from the SGP site, so it's easy to understand why some people may be concerned about how an industrial operation like a mine would affect dark skies and want to know if their dark-sky experience will be diminished in the vicinity of the SGP.

IMA praises Midas Gold for recognizing these concerns and its corporate commitment to minimize dark sky impacts from light pollution due to nighttime lighting of the SGP. In 2018, Midas Gold developed a study entitled "How to Create Responsible Night Lighting at the Stibnite Gold Project & Mitigate Light Pollution" that is attached as Exhibit II. In the introduction to this report, Laurel Sayer, Midas Gold Idaho Inc.'s President and CEO, articulates the Company's promise to minimize dark sky impacts:

"Staring at the night sky has guided ships, fueled dreams and inspired fields of scientific study for millennia. In Idaho, if you look up at night, you will be blessed with the beauty of a star-studded sky. It is an iconic piece of our outdoor experience. At Midas Gold, it is important to our team that we do our part to protect this part of our state's heritage."

Because many mines are located in remote locations with dark skies, the mining industry has developed mitigation measures to reduce the effects from lighting, to minimize dark sky impacts, and to protect visual resources. Some of these measures include:

- * Placing light fixtures at the lowest practical height and pointing them downwards to the ground to focus on work areas;
- * Equipping light fixtures with shields to focus light beams on specific areas that need to be illuminated;
- * Refraining from casting light fixtures skyward or over long distances;
- * Using dimmers, timers, and motion sensors where appropriate to control when project lights switch on and off; and
- * Implementing Best Management Procedures (BMPs) to minimize fugitive dust in order to reduce the sky glow effect resulting from light reflecting off of dust particles.

In addition to adopting these standard measures, Midas Gold is developing a more detailed plan to minimize night sky impacts due to light pollution from the SGP. As described in Exhibit II, some of the additional mitigation measures being planned for the SGP include the following:

- * Developing a comprehensive lighting plan based on Lighting Management Areas that examine the specific and customized lighting requirements for each location or task;
- * Selecting appropriate LED lights based on Correlated Color Temperature (CCT) and Color Rendering Index (CRI) to avoid using lights with blue wavelengths, which scatter farther in the atmosphere as light pollution and have disruptive biological effect on humans and other organisms;
- * Ensuring lights are properly shielded to direct the light to where it is needed and to eliminate upwards light emissions;
- * Installing lights to maximize worker safety and to mitigate light pollution by mounting lights high and facing them directly downward to ensure they are not creating glare, are directly illuminating work areas, and are not pointing upwards and causing skyglow; and
- * Maintaining a long-term light management and monitoring plan that incorporates remote sensing data to measure the amount of light being emitted from the site and make appropriate adjustments to site lighting in

response to this information to ensure best lighting management protocols are being followed and dark skies preservation objectives are being met.

IMA believes the evaluation of impacts to scenic resources presented in Section 4.20 and Appendix O of the Draft EIS is quite thorough. We are impressed that the DEIS evaluates the visibility of the project for each of the four action alternatives from 17 Key Observation Points (KOPs) where SGP components could be viewed including sensitive-use areas such as travel routes, waterbodies, recreation areas, residences, and the Frank Church-River of No Return Wilderness Area.

However, we suggest that the discussion of dark sky impacts in the Final EIS needs to be expanded to incorporate the concepts outlined in Midas Gold's Dark Skies study (Exhibit II) and to add the above-noted mitigation measures that Midas Gold is proposing to achieve its corporate objective to minimize light pollution and the project's impact on dark skies. It is apparent from Midas Gold's study that the Company's commitment to minimize impacting dark skies and the resulting planned mitigation measures exceed the Forest Service's requirements as described in Section 4.20 of the Draft EIS.

X. Another Extension to the Draft EIS Comment Period would Delay Project Benefits

The Forest Service has already granted two extensions beyond the standard 45-day comment period the CEQ regulations require for a Draft EIS. IMA believes that 75 days gives the public adequate time to review and comment on the document.

The Forest Service should be commended for making it very easy and convenient for the public to review an electronic version of the Draft EIS on the agency's project website. We were pleased to see that in addition to providing the Draft EIS, this website includes all of the other relevant documents for the project including links to the many references cited in the Draft EIS, the Scoping Report and the scoping comments, and the PRO. Nobody can reasonably claim there is insufficient information available to complete a careful and thorough review of the SGP.

We would especially like to express our enthusiasm for the Forest Service's virtual public meeting website because the maps in this room do an excellent job of showing the project alternatives. IMA does not know whether the Forest Service had planned to offer a virtual meeting prior to the pandemic, which made in-person public meetings impossible. However, even once the pandemic is over and in-person meetings become possible, we would like to suggest that this virtual public meeting format be used for future NEPA processes given the much broader access to the public.

IMA very much appreciated being able to access both the project website and the virtual public meeting on a 24/7 basis. In many ways, the online availability of both the project website and the virtual meeting is a great "equalizer" that affords any interested party the opportunity to efficiently review the project information at any time of the day or night regardless of the zip code or time zone in which they live. Stakeholders like IMA, who do not live in the immediate vicinity of Stibnite, did not have to incur any travel expense to attend an in-person public comment. Instead we could visit (and revisit) the website and the virtual meeting at our convenience.

In light of the excellent accessibility of the project information, IMA does not believe an additional extension of the comment period is warranted. In fact, we feel strongly that the comment period should end on time as currently scheduled on October 28, 2020. An additional extension would not be in the public's or the environment's best interest because it would delay implementation of the proposed environmental restoration work, stall employment opportunities for hundreds of people, and defer tax payments to local, state, and federal governments.

XI. The SGP is an Important Opportunity for Idaho and the Nation

In conclusion, IMA emphasizes that the Forest Service should complete the NEPA process for Midas Gold's PRO so this important project can be built as soon as possible and the environmental restoration measures that are an integral component of this project can start to improve the site. Midas Gold's proposal to use a modern mining operation to repair environmental problems created by previous, pre-regulations mining operations attests to the Company's vision, leadership, and environmental stewardship. The Forest Service's timely approval of the SGP will demonstrate the agency's compliance with governing laws and regulations and its recognition of the need to authorize this extraordinary opportunity to cleanup an old mining district at no taxpayer expense, generate hundreds of jobs, and create enduring environmental and public benefits.

Some of the numerous environmental, economic, and public benefits that will result from the SGP include the following:

Direct Benefits

- * Capitalize upon a unique and valuable opportunity to use private sector resources to remediate a public environmental problem due to past mining;
- * Remove the legacy mine wastes to substantially improve water quality conditions and benefit public health and the environment;
- * Eliminate the Yellow Pine Pit barrier to upstream fish migration to restore the fishery and enable Tribal access to a viable fishery;
- * Create hundreds of well-paying jobs throughout the life of the project including roughly 700 direct jobs during construction (3 years), 600 jobs during operation (12 years), and 200 jobs during reclamation and closure (5 years);
- * Pay an estimated \$232 million average annual expenditures;
- * Pay an estimated \$42 million in annual payroll during operations;
- * Pay an estimated \$329 million in federal corporate income taxes;
- * Pay an estimated \$86 million in state and local taxes and mine license fees; and
- * Pay an estimated \$3.8 million in local taxes for schools, government, and law enforcement.

Direct, Indirect, and Induced Benefits

- * Pay an estimated \$506 million in federal taxes;
- * Pay an estimated \$218 million in state and local taxes;
- * Pay an estimated \$152 million in regional sales transactions; and
- * Pay an estimated \$298 million in annual sales transactions in Idaho.

There is urgency to realize these benefits -especially in light of the significant economic challenges due to the COVID-19 pandemic and the need for economic recovery. Any delays in completing the permitting process for the SGP would clearly not be in the best interests of the public or the environment. There is also urgency to reduce the critical minerals national emergency declared in President Trump's September 30, 2020 critical minerals Executive Order and to meet the project permitting deadline the CEQ established for this High Priority Infrastructure Project.

For all of these reasons, IMA strongly urges the Forest Service to prepare the Final EIS and issue the Record of Decision for the SGP as quickly as possible. We believe the information presented in the Draft EIS thoroughly evaluates the project, project alternatives, and the environmental consequences that would result from the SGP. On the basis of this information, the Forest Service will be able to make a well-considered and well-informed decision to authorize the SGP.

IMA praises Midas Gold and the Forest Service on their extensive work and coordination on the SGP. Midas Gold has already invested more than \$180 million in the SGP. It's time to capitalize on this investment and the

promise it represents to improve the environment, employ hundreds of people, provide the nation with a domestic source of antimony, and create the economic benefits listed above.

IMA appreciates the opportunity to submit our comments on the Draft EIS for the SGP. Please do not hesitate to contact me if you have any questions.

SUBMITTED ATTACHMENT: Exhibit I - July 2015 Forest Service memorandum entitled "Financial Assurance for Mine Long-Term Post-Reclamation Monitoring and Maintenance."

SUBMITTED ATTACHMENT: Exhibit II - How to Create Responsible Night Lighting at the Stibnite Gold Project & Mitigate Light Pollution

1 President Trump recently declared a critical minerals national emergency due to the Nation's reliance on China and other foreign adversaries for critical minerals like antimony. (See the September 30, 2020 critical minerals Executive Order 13953, "Addressing the Threat to the Domestic Supply Chain from Reliance on Critical Minerals from Foreign Adversaries".) The U.S. Geological Survey's 2020 Mineral Commodity Summaries states the U.S. imported 86 percent of the antimony we used in 2019 from China and Russia.

2 For example the 14-year old Kuipers, Maest et al report describing water quality at other mines and the audit report describing regulatory gaps and inadequate financial assurance for mines in British Columbia that were submitted as attachments to the Center for Science in Public Participation provide no meaningful information about the SGP and are thus not relevant to the Forest Service's analysis of the SGP.

3 See the Forest Service's July 2015 memorandum entitled "Financial Assurance for Mine Long-Term Post-Reclamation Monitoring and Maintenance," which is attached as Exhibit I to this letter.

4 https://www.fs.fed.us/geology/bond_guide_042004.pdf

5 Federal Register Vol. 73, No. 201, pp. 61456 - 61496, see pp. 61469, 61481

6 The federal agencies covered by this settlement include the U.S. Department of Defense because of the military's involvement in mining antimony and tungsten during World War II-and the Korean War. The 10-million ton legacy waste pile that is currently leaching arsenic and antimony into the watershed are wastes created during these wartime mining activities. The PRO is proposing to remove this waste pile to eliminate this source of contamination.

7 See United States of America v. Bradley Mining Company, Case No. 3:08-CV-05501 TEH (N.D. Cal.) (Consent Decree filed April 19, 2012). CERCLA response cost contribution protection was extended to "Settling Federal Agencies," defined as the United States Department of Agriculture, United States Department of Defense, United States Department the Interior, EPA, and the General Services Administration.

8 As explained in Appendix G, Section 8.2.1 to the PRO, underground mining of the currently identified mineral resource is not technically or economically feasible, it would pose substantial safety challenges, and would preclude the proposed restoration measures to address the contamination emanating from the legacy mine waste pile.

9 Alternative 4 does not include the fish passage tunnel around the Yellow Pit Mine, which would delay upstream fish migration until this pit is backfilled and the stream channel is restored.