
December 20th, 2016

The first phase of permitting the Black Butte Copper project continues to move forward. Some people have recently asked; did the Montana Department of Environmental Quality (MT DEQ) reject our permit? Headlines and social media commentary might lead the public to believe that our project's been halted. That is not the case, and here is what actually is happening.

A few sessions ago, the legislature added a Completeness and Compliance (C&C) phase to the mine operating permitting process which would precede the Environmental Impact Study (EIS). The C&C phase ensures that the draft application is very robust to ensure that the EIS process can be completed in a year or less, as the new law stipulates. Barrick's Golden Sunlight expansion, Stillwater's East Boulder project, and the Montana Resources tailings modification have all gone through the new process. As the first new major mining operation to apply for a permit in 30 years, our project must also go through this process!

The C&C process is a "back and forth" process between the company seeking a permit and the MT DEQ, which has the final say on whether or not a company has presented a sufficient application to obtain a draft Mine Operating Permit. This process allows the MT DEQ to request additional information to help support their final decision, including additional environmental tests, groundwater assessments, geochemical information, and specific design plans sufficient to mitigate impacts. The MT DEQ requests are termed 'deficiency letters', which simply means they need more information or clarification to questions.

This is all information we have been happy to provide. We are confident that this review process will improve our ability to gain a permit once the EIS is complete. Already, we've gone above and beyond what is required by law, and will continue this as we progress. The first 90 day review was at a very high level. The second 90 day review dives into many important details. Commonly, the C&C process requires several iterations of MT DEQ questions and applicant response, and we believe the detail addressed by the MT DEQ to date will help reduce the number of these.

The MT DEQ is exercising the due diligence needed to ensure that they can fully support their decision to grant a permit based on our application, which, thanks to the C&C process, will assuredly meet and exceed all of the laws of Montana related to mine permitting.

There's no telling how much more information we'll be asked to provide, but we've already added significantly to our application in our responses to requests by the MT DEQ.

Our application is available in our office for anyone to come and read through. Just make sure you set aside several hours to do so – it is now about 450 pages long with over 6000 pages of appendix!!!!