

PROPOSED DECISION  
APPLICATION FOR MINING PERMIT, KENNECOTT EAGLE MINERALS  
PROPOSED HUMBOLDT MILL PROJECT  
Michigan Department of Environmental Quality  
April 15, 2009

**Proposed Decision**

The Michigan Department of Environmental Quality (MDEQ) is deferring the proposed decision on the application for a Mining Permit submitted by Kennecott Eagle Minerals Company (KEMC) for the Humboldt Mill Project in Humboldt Township, Marquette County. The application was submitted under the provisions of Part 632, Nonferrous Metallic Mineral Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). KEMC also submitted applications under the NREPA for a Michigan Air Use Permit – Permit to Install under Part 55; a National Pollution Discharge Elimination System Permit under Part 31; and an Inland Lakes and Steams Permit under Part 301.

Part 632 requires the MDEQ to make a proposed decision by April 15, 2009. However, KEMC waived the deadline for the proposed decision to allow for processing all MDEQ permits related to the project in a coordinated fashion. Section 63205(15) of Part 632 provides that the applicant may waive certain timelines to facilitate the coordination. It is anticipated the MDEQ will make a proposed decision on the application for a Mining Permit by June 17, 2009. In addition, at that time the MDEQ will establish a time and place for a consolidated public hearing on the proposed decision for the Part 632 application and draft decisions on the applications for the other MDEQ permit applications noted above. Notice of the public hearing will be posted on the MDEQ web site.

**Application Review Process**

The MDEQ received the KEMC application for a Mining Permit on December 26, 2008. Prior to receiving the application, the MDEQ had formed a Mining Application Review Team (the “Mining Team”) to review the application and public comments. The review team consisted of technical experts from MDEQ, MDNR, and one outside contractor.

The MDEQ determined the application was administratively complete (i.e., it contained all of the required documents and information) on January 9, 2009. The MDEQ held a public meeting on the application on February 18, 2009 and accepted public comments for 28 days after the meeting.

The Mining Team conducted an initial review of the application and identified areas that needed clarification or additional information. MDEQ sent KEMC a letter on February 25, 2009 listing areas where supplemental information and data are needed to complete a thorough, accurate, and comprehensive review of the application. Part 632 provides for the submission of additional information and data to supplement and clarify information supporting the application.

All information submitted to date by KEMC relating to the Part 632 application has been posted on the MDEQ internet site. Paper copies of the information were made available for review at the Peter White Library in Marquette, the Humboldt Township Hall, and MDEQ offices in Gwinn and Lansing. As additional information is submitted by KEMC it will be made available at all of the locations listed above.