Michigan Department of Environmental Quality Oil, Gas, and Minerals Division Humboldt Mill Amendment Request - MP 01 2010 Proposed Decision April 12, 2018

Proposed Decision

The Michigan Department of Environmental Quality (MDEQ) has made a proposed decision to grant, with additional conditions, a request submitted by Eagle Mine LLC (Eagle) to amend Mining Permit MP 01 2010, Special Permit Condition F4, to accommodate additional tailings from the Eagle and Eagle East ore to the Humboldt Tailings Disposal Facility (HTDF) located in Humboldt Township, Marquette County, Michigan. This proposed decision is issued under the provisions of Section 63205 (MCL 324 63205) of Part 632, Nonferrous Metallic Mineral Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

The MDEQ has conducted a detailed and comprehensive review of the Humboldt Mill Request for Amendment and supplemental information submitted by Eagle, reviewed the current mining permit conditions and Environmental Impact Assessment as they relate to the request, and reviewed and considered public comments that MDEQ has received thus far. In accordance with Rule 425.201(5) of Part 632, the department may impose terms and conditions in a mining permit, in addition to those specified in the application, that are necessary to implement the rules and statute. Based on the information available, the MDEQ proposes that the following permit conditions be amended in mining permit MP 01 2010 to meet the requirements for approval under Part 632 for the requested disposal of additional tailings in the HTDF:

• Amended Special Permit Condition F1: The permittee shall conduct ongoing characterization of the geochemistry and limnology of the HTDF throughout the milling operations, closure, and 20 years post closure to monitor the chemical and physical characteristics of the HTDF and to calibrate and adjust the model and predictions of dissolved metals and other related substances. During operations and closure, the permittee shall update predictions of how long treatment of the HTDF water would likely be required for water quality conditions to meet surface water standards after tailings disposal has ceased. Results of this monitoring shall be reported in the Annual Mining and Reclamation Report, and financial assurance estimates shall be evaluated annually, and updated as necessary to account for any added cost of water treatment during closure. Humboldt Mill – Proposed Decision Page 2 April 12, 2018

- Amended Special Permit Condition F4: This permit only authorizes utilization of the HTDF for subaqueous disposal of tailings from Eagle and Eagle East ore. The surface elevation of tailings shall not exceed 1515 feet mean sea level (MSL).
- Amended Special Permit Condition F13: The permittee shall submit a detailed plan for final reclamation of the HDTF and must receive written approval from the MDEQ prior to proceeding with final reclamation of the HTDF.
- Amended Special Permit Condition N9: The water treatment system and associated utilities shall be removed once it is demonstrated that water treatment will no longer be necessary to meet surface water quality discharge standards. Post closure monitoring of the HTDF shall begin once the approved reclamation of the HTDF is complete.

The MDEQ will hold a public hearing to accept public comment on the proposed decision prior to making a final decision. A 28-day public comment period will follow the hearing, during which the MDEQ will accept written comments on this proposed decision. Part 632 requires the MDEQ to then issue a final decision on the request within 28 days following the close of the written public comment period, unless the MDEQ determines that this period shall be tolled to request additional information.

Application Review Process

On August 2, 2017, the MDEQ received a request from Eagle to amend Mining Permit MP 01 2010, Special Permit Condition F4 to accommodate additional tailings as currently projected for the approved mining of the Eagle and Eagle East mineral resources. After an initial review of the request, the MDEQ informed Eagle on September 13, 2017, that the request constitutes a significant change from the conditions of the approved mining permit and the review process of this request will proceed as provided for a new permit application and advised Eagle of the information required for administrative completeness. Once the required information was submitted to MDEQ, Eagle was notified that the amendment request was determined to be administratively complete on October 3, 2017. A determination that an application is administratively complete does not preclude the MDEQ from requiring additional information from the permittee. Humboldt Mill – Proposed Decision Page 3 April 12, 2018

A public information meeting was held on November 27, 2017, followed by a 28-day written public comment period. The Humboldt Mill Request for Amendment documents were made available on the MDEQ website as well as sent to interested parties upon request.

After reviewing the public comments received, the MDEQ sent a request for additional information and clarification on February 6, 2018, to supplement the application and complete the review. The response to this request dated March 12, 2018, was reviewed and deemed by MDEQ staff to be sufficient to complete the review and to recommend granting the amendment request with additional proposed amended conditions. Section 63205(11) of Part 632 directs the MDEQ to issue a mining permit if the permit application meets the requirements of the law and the proposed mining operation will not pollute, impair, or destroy the air, water, or other natural resources or the public trust in those resources, in accordance with Part 17, Michigan Environmental Protection Act, of the NREPA.