

STATE OF MONTANA
DEPARTMENT OF COMMERCE
HARD ROCK MINING IMPACT BOARD MEETING

August 15, 2022 8:30am – Dept of Commerce, Room 228-301 South Park Avenue, Helena, MT

Register in advance for this meeting:

<https://mt-gov.zoom.us/j/81930192454?pwd=Y2dIVTh3WTA1K2VDcWJIRzhJRXdPQT09>

After registering, you will receive a confirmation email containing information about joining the meeting.

Clint Rech, Harlowton – Financial Institution
Ray Sheldon, Huntley – Public at large
Mark Thompson, Butte – Mining Industry

Donna von Nieda, Nye – School District
Jerry Bennett, Libby – County Commissioner

Notice of Public Meeting

August 15, 2022: 8:30 a.m.

The Board will hold a meeting at 8:30 am, Monday, August 15, 2022, at the Department of Commerce, Room 228, 301 South Park Avenue, Helena, MT. For more information or to request reasonable accommodations for a disability, please contact Community Development Division staff at (406) 841-2770 or at DOCCDD@mt.gov before the meeting. Conference call information for this meeting is also available on the Hard Rock Mining Impact Board website (<http://comdev.mt.gov/Boards/HRMI/Meetings>).

1 p.m.-The Board will be taking a tour of the Black Butte Copper Mine. Members of the public are invited to attend.

There is very limited space for this tour. Commerce staff must have participant numbers no later than July 28, 2022.

Please contact Anita Proul at 406.841.2869 or anita.proul@mt.gov to be included in the mine tour. The Board will also gather for a no-host lunch in at Bar 47, 24 East Main Street, White Sulphur Springs at 11:30 a.m. before the tour. Members of the public are invited to attend.

Agenda:

1. Roll call
2. Housekeeping items
 - *Restroom locations*
 - *Zoom application reminders*
 - *Introduction of Commerce staff*
3. Opportunity for public comment on items not on the agenda, but within the Board's jurisdiction
4. Approval of Minutes
 - Approval of September 24, 2021 Meeting Minutes
 - *Opportunity for public comment*
 - *Board discussion*
 - *Board action (as applicable)*
5. Hard Rock Mining Impact Trust Account Annual Payments
 - *Staff Updates*
 - *Opportunity for public comment*
 - *Board discussion*
6. Board Matters
 - *Suggestion of next meeting date and location*
7. Adjournment

Hard Rock Mining Impact Board
Draft Meeting Minutes
September 24, 2021
Big Timber, MT

Roll Call of Board Members:

Clint Rech - Present	Donna von Nieda, Chair - Present
Ray Sheldon - Present	Jerry Bennett - Present
Mark Thompson, Vice-Chair - Absent	

Montana Department of Commerce Staff Present:

Becky Anseth, Interim Operations Manager/Infrastructure Manager
Rachel Young, Administrative Officer
Renee Lemon, Division Administrator
Adam Schafer, Deputy Director
Jessica Osterloh, Attorney
Anita Proul, Executive Assistant

Public Present:

Randy Weimer, Sibanye-Stillwater
Kevin Mitchum, Sibanye-Stillwater
Marlena Ferguson, Sibanye-Stillwater
Heather McDowell, Sibanye-Stillwater
Peggy Campbell, MT Department of Revenue
JV Moody, Sweet Grass County Commissioner
John Durnal, Senator Steve Daines Office

Call Meeting to Order

0:01 Chair von Nieda called the meeting to order at 8:33 a.m.
0:43 Ms. Young called the roll for Board members.

Housekeeping Items

Page 3 of Binder

2:05 Presenter: Ms. Young

Opportunity for Public Comment

4:50 Chair von Nieda asked for any public comments on items not on the agenda, but within the Board's jurisdiction.

Approval of Minutes

May 17, 2021 Hard Rock Mining Impact Board Meeting Minutes – page 5 of binder

5:11 Motion: Mr. Sheldon – approve minutes
Second: Mr. Bennett
Chair von Nieda assumed motion

Hard Rock Mining Impact Board
Draft Meeting Minutes
September 24, 2021
Big Timber, MT

July 7, 2021 Hard Rock Mining Impact Board Meeting Minutes – page 6 of binder

6:00 Motion: Mr. Bennett – approve minutes
Second: Mr. Rech
Chair von Nieda assumed motion

Power Point Presentation

Page 8 of binder

6:40 Presenter: Ms. Young

Sibanye-Stillwater Speakers

28:26 Speakers: Heather McDowell; Randy Weimer; Kevin Mitchum

Department of Revenue Representative

1:24:56 Presenter: Peggy Campbell

Opportunity for public comment

1:40:59 Chair von Nieda opened the meeting for any public comment.

Board Matters

Suggestion of next meeting date

1:41:23 Presenter: Ms. Young

Adjournment

2:05:30 Meeting adjourned at 10:55 a.m.

GREG GIANFORTE
GOVERNOR



SCOTT OSTERMAN
DIRECTOR

May 31, 2022

Jake Ford, Unit Manager
Montana Department of Revenue
PO Box 5805
Helena, Montana 59604-5805

Re: 2022 Metal Mines License Tax Allocation (SMC East Boulder Project)

Dear Jake:

Enclosed is a draft copy of the 2022 Annual Allocation of Metal Mines License Tax Revenue to Eligible Counties as specified in Section 1.12 on page 1-9 and Appendix A of the 1998 Hard Rock Mining Impact Plan Amendment for the East Boulder Project. The mineral developer has provided the following data and calculations.

Based on the CY 2021 production and receipts of the East Boulder Mine, the percentage of the revenues received that are to be allocated by the Montana Department of Revenue to each eligible county in FY 2022 is as follows:

- | | | |
|----|---------------------------|-----------------|
| 1. | Sweet Grass County | 70.2420% |
| 2. | Park County | 22.4915% |
| 3. | Stillwater County | 7.2665% |

If possible, please notify Sarah Jordt, Accountant, Community MT, Department of Commerce at 406.841.2703 or sjordt@mt.gov, of the amount allocated to each eligible county by June 30, 2022

Sincerely,

DocuSigned by:
Rachel Young

AE7429AE69DC407...
Rachel Young
Board Officer
Hard Rock Mining Impact Board
406.841.2867
Rachel.young@mt.gov

ecc: Kelli Barcus
Renee Lemon, Division Administrator
Sarah Jordt, Community MT Accountant

May 24, 2022

Hard Rock Mining Impact Board
C/o Rachel Young
Montana Department of Commerce
PO Box 200501
Helena, MT 59620

RE: 2022 Metal Mines License Tax Allocation

Hard Rock Mining Impact Board:

Sibanye-Stillwater is pleased to submit the 2022 Annual Allocation of Metal Mines License Tax Revenue to Eligible Counties as specified in Section 1.12 on page 1-9 and Appendix A of the 1998 Hard Rock Mining Impact Plan Amendment for the East Boulder Project. This Annual Allocation of Metal Mines License Tax Revenue is being submitted to the Hard Rock Mining Impact Board for concurrence on the adjustment, approval and then submittal to Montana Department of Revenue.

Thank you for your time and consideration; and please let us know if you have any questions.

Sincerely,



Kevin Mitchum
Environmental Compliance Manager
Sibanye-Stillwater

Cc : Sweet Grass County Commissioners
Park County Commissioners
Stillwater County Commissioners

RECEIVED

MAY 26 2022

Department of Commerce
Community Development Division

Sibanye-Stillwater
PO Box 1330
1600 E. 1st Avenue South
Columbus, MT 59019



kevin.mitchum@sibanyestillwater.com
406.322.8820 (Office)
406.321.0027 (Cell)

APPENDIX A

2022 ANNUAL ALLOCATION OF METAL MINES LICENSE TAX REVENUE
TO ELIGIBLE COUNTIES

PART ONE: IDENTIFY THE TAXPAYING MINE AND THE COUNTIES IDENTIFIED
IN THE APPROVED HARD-ROCK MINING IMPACT PLAN

Name of Mine: East Boulder - Stillwater Mining Company

Name of County, or Counties, in Which Ore Body, Mine and Associated Milling Facility
are Located: Sweet Grass County, Montana

Names of Affected Counties Identified in the Approved Impact Plan:
Sweet Grass County

Names of Potentially Affected Counties Identified in the Approved Impact Plan:
Park County
Stillwater County

PART TWO: DETERMINE WHICH IDENTIFIED COUNTIES ARE ELIGIBLE TO
RECEIVE METAL MINES LICENSE TAX REVENUE

A. ECONOMIC IMPACTS RESULTING IN INCREASED EMPLOYMENT --
COUNTIES IN WHICH MINERAL DEVELOPMENT EMPLOYEES RESIDE:
Identify each affected or potentially affected County *in which Mineral Development
Employees reside, or are expected to reside, as specified in the Impact Plan.* An
employee's place of residence is generally considered to be the *place from which the employee
commutes to the mine or mill on a daily basis*, unless the Plan specifies otherwise, such as if the
employee's normal residence is elsewhere within the impact area.

Name of County # 1: Sweet Grass County
Residence of Mineral Development Employees? Yes.

Name of County # 2: Park County
Residence of Mineral Development Employees? Yes.

Name of County # 3: Stillwater County
Residence of Mineral Development Employees? Yes.

- B. FISCAL IMPACTS RESULTING IN INCREASED COSTS -- COUNTIES WITH IDENTIFIED INCREASED COSTS:** Identify each County in which any affected unit of local government has experienced, or is expected to experience, *Increased Costs for Services or Facilities* as a result of the Mineral Development, as specified in the Impact Plan. List the County if the approved impact plan identifies an increased local government cost in any local government unit within the County.

Name of County # 1: Sweet Grass County
Increased Local Government Costs? Yes.

Name of County # 2: Park County
Increased Local Government Costs? No.

Name of County # 3: Stillwater County
Increased Local Government Costs? No.

- C. ELIGIBLE COUNTIES:** List the Counties identified in the Impact Plan that have experienced or will experience increased mineral development employment or increased local government costs, or both, as a result of the mineral development, as shown in A and B above.

Name of County # 1: Sweet Grass County
Name of County # 2: Park County
Name of County # 3: Stillwater County

Each affected or potentially affected County in which the Impact Plan identifies fiscal or economic impacts resulting in increased local government costs or increased employment is eligible to receive metal mines license tax revenue.

PART THREE: DETERMINE THE NUMBER AND PERCENTAGE OF MINERAL DEVELOPMENT EMPLOYEES IN EACH COUNTY.

- A. TOTAL NUMBER OF MINERAL DEVELOPMENT EMPLOYEES:** Identify the average number of persons employed by the developer or its contractors or subcontractors in the construction or operation of the mine or its associated milling facility during the preceding calendar year.

# Local Employees	262	% Local Employees	54.58%
# In-migrating Employees	218	% In-migrating Employees	45.42%
TOTAL # EMPLOYEES	480		100 %

B. NUMBER OF MINERAL DEVELOPMENT EMPLOYEES BY COUNTY OF RESIDENCE: Identify the *Number of Mineral Development Employees residing in each affected or potentially affected County.*

Name of County # 1: Sweet Grass County
 # Local Employees 66
 # In-migrating Employees 51
Total # Mineral Development Employees in County # 1: 117

Name of County # 2: Park County
 # Local Employees 87
 # In-migrating Employees 43
Total # Mineral Development Employees in County # 2: 130

Name of County # 3: Stillwater County
 # Local Employees 17
 # In-migrating Employees 25
Total # Mineral Development Employees in County # 3: 42

C. NUMBER OF MINERAL DEVELOPMENT EMPLOYEES RESIDING IN ALL ELIGIBLE COUNTIES: Add the number of employees residing in the eligible counties identified above. This total may be less than the number of mineral development employees identified in A above, because some employees, usually a relatively small number, may live outside the impact area.

of Mineral Development Employees Residing in Eligible Counties: 289

D. PERCENTAGE OF MINERAL DEVELOPMENT EMPLOYEES RESIDING IN EACH ELIGIBLE COUNTY: Calculate the *percentage of mineral development employees residing in each identified county.* Divide the number of mineral development employees residing in each eligible county (item B above) by the total number of mineral development employees residing in all eligible counties (item C above).

Name of County # 1: Sweet Grass County
 117 # Min Dev Employees Residing in County # 1, divided by
 289 # Min Dev Employees Residing in All Eligible Counties =
 0.40484 or 40.484%
% of Mineral Development Employees Residing in County # 1 = 40.484%

Name of County # 2: Park County
 130 # Min Dev Employees Residing in County # 2, divided by
 289 # Min Dev Employees Residing in All Eligible Counties =
 0.44983 or 44.983%
% of Mineral Development Employees Residing in County # 2 = 44.983%

Name of County # 3: Stillwater County

42 # Min Dev Employees Residing in County # 3, divided by
289 # Min Dev Employees Residing in All Eligible Counties =
0.14533 or 14.533%

% of Mineral Development Employees Residing in County # 3 = 14.533%

NOTE: These calculations should account for 100% of the mineral development employees who reside in an affected or potentially affected unit of local government identified in the impact plan.

PART FOUR: DETERMINE THE AMOUNT AND PERCENTAGE OF INCREASED COST IN EACH COUNTY.

- A. **MINE-LIFE or LIFE OF MINE: Identify the period of time considered as mine-life for purposes of these calculations. Specify the number of years included and the beginning and ending dates.** [The projection of mine-life may be uncertain. If the parties to the Impact Plan prefer, they may, initially, base their calculations on a potential mine life that begins with the anticipated or actual commencement of activity under an operating permit and extends at least through the sixth full year after the year in which the mine reaches full production. As part of the annual process of adjusting the impact plan to update this Addendum, the identified mine-life period and the calculation of increased costs over time can be adjusted to reflect the most current expectations of probable mine-life.]

Mine-Life is estimated through 2061 based on current proven and probable reserves.

- B. **INCREASED COSTS BY COUNTY: List the TOTAL of All Increased Local Government Costs Identified in All Local Government Units in Each County Over the Life of the Mine.** [As costs incurred during the life of the mine, include all costs identified in the impact plan for which impact payments are made in anticipation of, but prior to, actual commencement of construction, including, if identified in the impact plan, any financial assistance for preparing for and evaluating the impact plan, as authorized by 90-6-307, MCA.]

Name of County # 1: Sweet Grass County

Increased Costs to Local Government Units in County # 1: \$ 3,248,516

Name of County # 2: Park County

Increased Costs to Local Government Units in County # 2: \$ -0-

Name of County # 3: Stillwater County

Increased Costs to Local Government Units in County # 3: \$ -0-

C. TOTAL MINE-LIFE INCREASED LOCAL GOVERNMENT COSTS IDENTIFIED IN IMPACT PLAN: Add the increased costs for all eligible counties.

Total Mine-life Increased Costs in All Eligible Counties: \$ 3,248,516

D. PERCENTAGE OF INCREASED COSTS OCCURRING IN EACH ELIGIBLE COUNTY: Calculate the percentage of increased costs occurring in each identified county. Divide the increased costs in each county (section B) by the total increased costs for all eligible counties (section C).

Name of County # 1: Sweet Grass County

\$ 3,248,516 Increased Local Government Costs in County # 1, divided by
\$ 3,248,516 Increased Local Government Costs in All Eligible Counties =
1.0 or 100 %

Percentage of Increased Costs Occurring in County # 1 = 100 %

Name of County # 2: Park County

\$ -0- Increased Local Government Costs in County # 2, divided by
\$ 3,248,516 Increased Local Government Costs in All Eligible Counties =
0 or 0 %

Percentage of Increased Costs Occurring in County # 2 = 0 %

Name of County # 3: Stillwater County

\$ -0- Increased Local Government Costs in County # 3, divided by
\$ 3,248,516 Increased Local Government Costs in All Eligible Counties =
0 or 0 %

Percentage of Increased Costs Occurring in County # 3 = 0 %

NOTE: These calculations should account for 100% of the increased local government costs in all affected units of local government in all affected counties identified in the impact plan.

PART FIVE: PERCENTAGE OF METAL MINES LICENSE TAX REVENUE TO BE ALLOCATED TO EACH ELIGIBLE COUNTY: Using the data shown above, calculate the percentage of metal mines license tax revenue to be allocated to each eligible County. Add each county's cost and employment percentages and divide by two, to give equal weight to increased costs and increased employment.

NAME OF COUNTY # 1: Sweet Grass County

Increased Costs: 100 % of Total in All Eligible Counties
Increased Employment: 40.484 % of Total in All Eligible Counties
Add the two percentages: 140.484% and Divide by 2 =
*** *PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 1:* 70.2420%

NAME OF COUNTY # 2: Park County

Increased Costs: 0 % of Total in All Eligible Counties
Increased Employment: 44.983% of Total in All Eligible Counties
Add the two percentages: 44.983% and Divide by 2 =
*** *PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 2:* 22.4915%

NAME OF COUNTY # 3: Stillwater County

Increased Costs: 0 % of Total in All Eligible Counties
Increased Employment: 14.533% of Total in All Eligible Counties
Add the two percentages: 14.533% and Divide by 2 =
*** *PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 3:* 7.2665%

*** *TOTAL PERCENTAGE ALLOCATED:* 100 %

NOTE: The total percentage to be allocated should equal 100 percent.

For Purposes of the Allocation of Metal Mines License Tax Revenues Received and Allocated by the Montana Department of Revenue in Calendar Year 2021, Allocation is based on the Production and Receipts of the East Boulder Mine for Reporting Periods Ending December 31 and June 30.

We, the Undersigned, Have Reviewed and Concurred in the Data and Calculations Appearing in the Attached Addendum to the Hard-Rock Mining Impact Plan,

AUTHORIZED SIGNATURES:

County # 1: Sweet Grass County Date signed 5-11-22
Melanie Rose, Chair, Board of County Commissioners
William Walker, Commissioner
J. Murphy, Commissioner

County # 2: Park County Date signed _____
_____, Chair, Board of County Commissioners
_____, Commissioner
_____, Commissioner

County # 3: Stillwater County Date signed _____
_____, Chair, Board of County Commissioners
_____, Commissioner
_____, Commissioner

Mineral Developer Kevin Mitchell Date signed 5-11-22
(Authorized Representative of Mineral Developer)

Submitted to Hard-Rock Mining Impact Board by _____
Date submitted _____
Date received _____

Concurred in or Approved by HRMI Board: _____
(Signed: Chair, Hard-Rock Mining Impact Board)
Date of Board action: _____ Date signed _____

Submitted to Montana Department of Revenue for Board by: _____
Date submitted _____

For Purposes of the Allocation of Metal Mines License Tax Revenues Received and Allocated by the Montana Department of Revenue in Calendar Year 2021, Allocation is based on the Production and Receipts of the East Boulder Mine for Reporting Periods Ending December 31 and June 30.

We, the Undersigned, Have Reviewed and Concurred in the Data and Calculations Appearing in the Attached Addendum to the Hard-Rock Mining Impact Plan,

AUTHORIZED SIGNATURES:

County # 1: Sweet Grass County Date signed 5-11-22
Melanie Roe, Chair, Board of County Commissioners
William Walters, Commissioner
J. Wilbur, Commissioner

County # 2: Park County Date signed _____
_____, Chair, Board of County Commissioners
_____, Commissioner
_____, Commissioner

County # 3: Stillwater County Date signed May 17, 2022
[Signature], Chair, Board of County Commissioners
[Signature], Commissioner
Vacant, Commissioner

Mineral Developer Kari Mitchell Date signed 5-11-22
(Authorized Representative of Mineral Developer)

Submitted to Hard-Rock Mining Impact Board by _____
Date submitted _____
Date received _____

Concurred in or Approved by HRMI Board: _____
(Signed: Chair, Hard-Rock Mining Impact Board)
Date of Board action: _____ Date signed _____

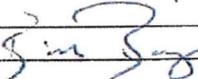
Submitted to Montana Department of Revenue for Board by: _____
Date submitted _____

For Purposes of the Allocation of Metal Mines License Tax Revenues Received and Allocated by the Montana Department of Revenue in Calendar Year 2021, Allocation is based on the Production and Receipts of the East Boulder Mine for Reporting Periods Ending December 31 and June 30.

We, the Undersigned, Have Reviewed and Concurred in the Data and Calculations Appearing in the Attached Addendum to the Hard-Rock Mining Impact Plan,

AUTHORIZED SIGNATURES:

County # 1: Sweet Grass County Date signed _____
_____, Chair, Board of County Commissioners
_____, Commissioner
_____, Commissioner

County # 2: Park County Date signed 5/20/22
, Chair, Board of County Commissioners
_____, Commissioner
, Commissioner

County # 3: Stillwater County Date signed _____
_____, Chair, Board of County Commissioners
_____, Commissioner
_____, Commissioner

Mineral Developer _____ Date signed _____
(Authorized Representative of Mineral Developer)

Submitted to Hard-Rock Mining Impact Board by _____
Date submitted _____
Date received _____

Concurred in or Approved by HRMI Board: _____
(Signed: Chair, Hard-Rock Mining Impact Board)
Date of Board action: _____ Date signed _____

Submitted to Montana Department of Revenue for Board by: _____
Date submitted _____