

Community Transition Advisory Committee (CTAC)
Meeting Minutes
January 6, 2011

CTAC meeting was held on 1/6/11 in the Extension Office conference room in Whitehall. *Attendees* were Tim Dimock, Mark Thompson, Dave Donnelly, Gary Sundseth, Ann Geiger, Gerry Keogh, Ed Handl, Leonard Wortman, Paul Shaw, Tom Harrington, Tara Mastel and Nancy Wheeler. *Guests*: Greg Corr and Jared Brown.

1. Tom called the meeting to order at 8:05 a.m. with introductions.

2. Minutes of Last Meeting

Tim made a motion to approve the meeting minutes from 12/9/10; Gerry seconded the motion. Minutes were approved as published.

3. Golden Sunlight Mine (GSM) Operations

a. Current Operations Update / Pit Lay Back Progress / Mill Status

Tim reported 204 employees and 60 contractors currently at the mine. The mine achieved their production and cost goals this past year and had the best safety record in North America. There has been no loss of time injuries for three years. The mine was a little behind in their construction program due to various reasons, including permitting delays; however, the mill refurbishment is complete enough to start up on schedule next week.

The 5B Optimized project is on track and going well. By the end of the month, the unweighting cut from last summer's failure will be finished; this will help the mine's efficiency by being able to move equipment back into the main pit. The mine remains on track to obtain ore in the main Mineral Hill Pit in August. Smith Construction has started working on the East Area mining and there is a significant stockpile of ore in front of the crusher to start processing. Tim said the ore coming in is good and a better grade than expected. Smith Construction will be working on building their bigger excavator in the business park over the next week.

Tim is anticipating some positive legislation being passed for the mining industry this Legislative session. There are several bills the mine is working on with the help of Tammy Johnson from Environomics and the Montana Mining Association. A job listening session is scheduled this Saturday for the joint legislative session where Tim will talk on the mining industry. Fess Foster, along with others, will also be speaking at the session. Mark said there is some legislation GSM has heard rumors on. One that affects Whitehall is the numeric nutrient criteria the DEQ is trying to get established that will set some standards for nitrogen and phosphorus below the ability of the mine's technology. Leonard said there are a lot of requested bills and said the Commission will have some consultants helping Jefferson County with some of the bills. He reported Commissioner Tom Lythgoe will spend most of his time at the Legislature.

A new Safety Regional Manager from Barrick North America will be at the mine next week. The following week the mine will have their annual safety awards tour. On January 20th, people from the Toronto and Salt Lake offices will be on site to give awards for different continuous safety improvement efforts. That same week, several people from the regional technical group will be on site to review some mining development plans and exploration plans for the projects the mine is looking at to fill the gap after 5B Optimized is completed.

b. Exploration Update/New Geologist & Hiring Update

Tim reported all permanent positions at the mine are filled and are looking at bringing in some temporary people to help with processing the East Area ore. A geologist was hired who was a consultant on the last mine project and was also a past Senior Exploration Geologist GSM employee; the mine will also continue using other consultants.

The mine has a \$1.2 million budget for mine exploration, is finishing the geology and resource models for the three targets drilled last year and will complete developing a detailed drilling program to enable the mine to start drilling on the North Area the first quarter this year.

c. Pit Backfill Update

Tim will email information to CTAC members after receiving a court date for the backfill hearing.

d. Concentrator Status

Finished drilling of the T1 tailings to see if there is an increased amount of gold in it; assays have not yet been received. In this first quarter, after the mine receives a final cost estimate for the concentrator, etc., the chief metallurgist will organize a brainstorming session to reassess where the mine is at and what needs to be done to make this project happen.

e. McLaren Tailings

Tim and Mark discussed the situation with the group. Summarizing, Wyoming was concerned about hauling the material through Wyoming on the Chief Joseph Highway. A meeting was held in Cody and the Montana DEQ made a decision to not haul the material through Wyoming and to allow a lesser cleanup action of the tailings. Tim said the outcome is a disappointment because a lot of people worked hard to make the project happen and it was a good example of the regulators and the mine working together to take care of an environmental problem. DEQ's decision will result in leaving an environmental problem still in place.

f. Wind Development Update

Tim reports no new developments since last month's meeting.

4. GSM Environmental Update

Mark reported one incident in December. The mine had a spill of 2100 gallons of water containing methanol as a valve failed to actuate. The mixture is about 20 percent methanol so about 420 gallons of methanol was released. The mine mixes methanol in water to keep the water from freezing and uses it for dust control in production drills. The mine injects methanol in the ground through the drills anyway, so it wasn't necessarily something that wasn't in practice already; it just was an unintended release. The incident did not classify as a reportable spill to the state or any other agencies. Truck traffic is increasing as the mine received its second cyanide delivery yesterday and there have been other deliveries of supplies needed to get back into production. GSM is struggling with the tailings dust; the dust isn't as bad as it has been in the past but is not at zero. The mine had Warmoth start applying magchloride on the tailings impoundment this morning to get the dust back their goal of zero. Two cats have been working on the South Dump for about a month now. It is estimated to take almost all next year to get the dump sloped in its entirety. After the dump is resloped, will start putting soil on it tentatively the beginning of 2012. The earliest reseedling of the dump would be Spring, 2012. Mark said this project is the highest priority target of reclamation right now.

Dave said the mine purchased about 160 acres of land from the Tebays and should close on it next week. The land is located between the mine and highway 69.

Mark gave a presentation on community interactions at the Northwest Mining Association's annual meeting. The Montana Mining Association had a booth at the meeting trying to recruit people into developing Montana and there was a lot of interest and activity at the booth.

5. Sunlight Business Park Overview

a. Construction Status

Construction at the business park is shut down for the winter and the contractor is anticipating starting back up in early March, depending on the weather.

b. Subdivision Update

Tom said he has a copy of the plat the Jefferson County Planner reviewed recently and would like to give Dave a copy after today's meeting. There are a couple changes and, when a final version is received from the engineer, JLDC staff will move forward to the Jefferson County Commission for a final plat approval.

c. Billboard Update

Tom said a Department of Transportation person will be meeting on site with staff today at 10:00 and invited Tim and Dave to join the meeting. Tara gave a background on the billboard sign and Tom said a person who develops signs will visit the site next week and give staff some cost estimates.

d. Business Assistance Center / Interpretive Center

Staff visited with Tim Dimock recently regarding the Business Assistance/Interpretive Center. Staff will meet with an architect next week for ideas on the natural resource center concept plan.

6. Other Items of Discussion

a. Tom said the 2011 Economic Outlook Seminar will be held in Butte on February 3rd and distributed information/agenda on the seminar to the group. If interested in attending, please contact Nancy at the Extension office by January 13th.

b. Leonard updated the group on Mountain States Transmission Intertie (MSTI) issues and said there are a lot of bills in the legislature relating to MSTI. Discussion followed. The Jefferson County Commission has a tentative hearing January 19th with Judge Tucker to obtain better cooperation with DEQ and get the consultation process moving with them. There will be another MSTI public meeting in Whitehall on January 25th.

c. Leonard said there will be a public meeting on Medical Marijuana Monday, January 10, 6:00 p.m. at the Whitehall High School Commons.

d. Bob Brock submitted his CTAC *Resignation of Advisory Committee Appointment* and appointed David Donnelly as his replacement to the CTAC Advisory Board.

7. Next Meeting Date/Time

Next meeting is scheduled for **Thursday, February 10th, 2011**, 8:00 a.m. at the Extension Office Conference Room. Meeting adjourned at 8:55 a.m.

Respectfully submitted,

Nancy Wheeler