

Community Transition Advisory Committee (CTAC)
Meeting Minutes
October 7, 2010

CTAC meeting was held on 10/7/10 in the Extension Office conference room in Whitehall.

Attendees were Tim Dimock, Mark Thompson, Dave Donnelly, Bob Brock, Gary Sundseth, Ann Geiger, Roy McBride, Leonard Wortman, Tim Mulligan, Paul Johnston, Justin Gibson, Tom Harrington, Tara Mastel and Nancy Wheeler. *Guest:* Greg Corr.

1. Welcome and Introductions

Tom called the meeting to order at 8:03 a.m.

2. Minutes of Last Meeting

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

3. Golden Sunlight Mine (GSM) Operations

a. Current Operations Update

Tim reported 172 employees and 47 contractors at the mine site. Contractor numbers are down primarily because construction of the tailings dam is completed. Some funds were reallocated and a few additional contractors were hired on the mill project. There is a lot of activity with mill refurbishment and the modifications to the crushing circuit.

b. Pit Lay Back Progress / Mill Status / Exploration Update

Tim said the layback is on schedule. Exploration drilling is done for the most part; still have some assays to complete and the contract exploration geologist group is doing modeling. The mine has a \$1.2 million program budget request in for next year; however, the full budget will not be approved by the board until the end of the year. Once approved, a full time position to run the program as Senior Exploration Geologist at GSM will be advertised.

c. East Area Permit Status

Tim D. said further information was requested by DEQ delaying the Environmental Assessment (EA) going to public notice. Mark said DEQ did a checklist EA and, after completed, upper management at DEQ declared this a new pit. New pits cannot be permitted with a checklist EA so staff is rewriting it into a more formal EA. Mark said the EA is on schedule to go to public comment the end of this month and mine staff will develop a fact sheet for the project to distribute to stakeholders and will ask them to express their opinions to DEQ on the project. A form letter will also be available as it will be beneficial if the DEQ receives support for the project. The project would mean 20 contractor jobs plus 20 additional mine employees for seven-nine months that would bring in tax revenue close to \$1 million versus not doing the East area pit. Mark said if the project can't get started in December or January, there will be a problem as the gold value is at the bottom of the pit and that grade is not as high as the main pit ore. If the mine can't get access to the bottom of the pit before it reaches the main pit ore, the East area pit will most likely be postponed until after the main pit. There is significant economic advantage to do the East pit first as revenue generated in 2011 gets paid in 2012. Without the East pit, there will only be about three-four months of revenue. With the East pit, there will be almost a full year of revenue which makes a big difference in what the school district will receive in 2012. DEQ will put the EA out for public comment for two weeks with an option to extend it one week. Tom asked about doing a local public meeting to inform the community on what the mine is doing, the project's benefit and to answer audience questions. Mark thought that an excellent idea and said the mine is more than willing to organize a meeting. Mark will have a better idea within the next two weeks when the EA will go for public comment and the meeting will need to be scheduled soon after as there is only a two week public comment period.

d. Concentrator Status

Mark said engineering continues on the concentrator project and there is stiff competition with the sulfur Goldstrike is currently receiving. GSM is learning from the study and may find other ways to use the information.

e. Wind Development Update

The wind developer contacted the GSM the end of last month and Tim D. shared an email he received from them with the CTAC group. Tim D. told the wind developer GSM would be in operation at least through the end of 2014 and are looking at ways to extend the life of the project. The wind developer has also been in correspondence with Gamesa who has a history with the project and is thinking and working on options.

4. GSM Environmental Update

a. Cyanide Contractor Visit

Mark said a presentation on what the Cyanide Code is, GSM's intentions to become certified under the Code, etc. was given at a previous CTAC meeting and there was some discussion and concern regarding the transporter and what the routes may be. The contractor will be at the mine next Monday and Tuesday and mine staff is willing to organize an informational public meeting with him for anyone interested in attending. After discussion, a meeting was scheduled for Tuesday, October 12th at the Whitehall Town Hall from 9:00-10:00 a.m.

b. Sportsmen Group Meeting

Mark said mine staff attended the Jefferson Valley Sportsmen's Association meeting with the intention of asking them what the mine can do differently at the Candlestick Ranch to improve the recreational opportunities and experiences and to get them thinking, as users of the ranch, what they would like to see the mine do differently to improve those opportunities. Good feedback and ideas resulted from the meeting. Gary reiterated it was a positive meeting with good suggestions and conversation and he appreciated everybody's comments. Discussion followed. Gary said the initiation of this meeting was because of some of his conversations with the mine's grazing lessee, the State and the BLM range people on what the mine can do to improve the range habitat. Tim D. and Mark said the ranch has multiple uses and asked for alternatives and additions that can be brought under management of the property for improvements of the social recreational part of it. GSM is in the early investigative stages and, at some point and time, will come back to the group with more questions and ask for more comments to help draft ideas and put together a range plan and agricultural management plan and try to make it as multiple use as possible. Discussion on hunting and streambank stabilization followed.

5. Sunlight Business Park Overview

a. Construction Status

Tara said the contract for the construction of the park has been awarded to the low bidder, Hard Rock Road Building & Utilities out of Helena. The bid was just awarded and the contractor is getting necessary paperwork together. The timeline for the work is approximately six (6) months.

b. Subdivision Update

Tara said JLDC has preliminary plat and will put together an application to go for final plat. Bob said once the final plat is done and prior to starting construction, the contractor needs to be aware of the obligations of the lease contract as far as crossovers, access, etc. as there are specific aspects of the contract they will need to abide by. A pre-construction meeting will be held and Tara will let Bob know meeting details when scheduled. JLDC will have a groundbreaking ceremony for the business park.

6. Groundwater Assessment Study – Boulder Valley

Tom had an opportunity to attend a meeting of the Advisory Committee from Montana Tech that was appointed by the Legislature to advise the Legislative Interim Committee on water. Presently the committee

is going through the range of projects to present to the Legislator. The Boulder Valley Study is second on the list and has a good chance of being selected for this next cycle. Jefferson County has obligated \$37,500 toward the study. The Groundwater Assessment Steering Committee will meet again October 15th to finalize the range of projects.

7. Other Items of Discussion

a. Bob Brock said a sign company has approached the mine about a billboard that was originally on the property. The mine's preference would be for JLDC to talk with the sign company people since the sign would be located on part of JLDC's leased area. Bob gave JLDC staff the sign company's contact information. After a billboard sign is down for a certain period of time, the permit is revoked. The first thing needing to be done is to stop the Department of Transportation (DOT) from revoking the sign company's permit. Bob said he has signed off on an acknowledgement for the sign company that can be presented to the State and will send a letter to the State informing them we are in negotiations. Dave Donnelly will be JLDC staff's point of contact.

b. Tom said the Community Foundation had their annual Wine and Brew event last Saturday evening. Grants from the Community Foundation are awarded at the event. GSM made a large commitment to support the Community Foundation Endowment Program and the first award from the Barrick Gold/GSM was presented to the Whitehall Community Development Board (CDB) for the purchase of some picnic tables to enhance the pavilion project. The CDB met last evening to look at designs of tables, shipping, etc.

8. Next Meeting Date/Time

Next meeting is **Thursday, November 4th, 2010** at the Extension Office Conference Room in Whitehall at **8:00 a.m.** Meeting adjourned at 8:50 a.m.

Respectfully submitted,

Nancy Wheeler