

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 06, 2018

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Thompson, Representatives Hartgen, Vander Woude, Anderson, Anderst, Mendive, Chaney, Nate, Cheatham, Horman, Malek, Moon, Scott, Ehardt, Smith, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative(s) Anderst, Malek

GUESTS: Dustin Miller, OSC

Chairman Raybould called the meeting to order at 1:30 p.m.

MOTION: **Rep. Horman** made a motion to approve the minutes of January 30, 2018. **Motion carried by voice vote.**

McKinsey Lyon, Director Public Affairs, Midas Gold (Midas) introduced **Stephen Quin**, President and CEO, from its parent company, Midas Gold Corp. of Vancouver. Midas' Idaho base employs about 30 people to manage The Stibnite Gold Project. Ms. Lyon gave a history of the Stibnite Mining District and the legacy left of sites in need of repair, including the Yellow Pine Pit; deposits in the Meadow Creek Valley; 10.5 million tons of spent ore; and a scar from a failed reservoir that allows erosion of hundreds of tons of sediment into the river every year. Ms. Lyon outlined the Plan of Restoration and Operation (PRO) Midas delivered to the US Forest Service (USFS) in 2016, that she stated puts restoration at the front of the plan and that will involve: a \$1 billion investment; a \$43 million annual payroll; reconnect a fish passage; repair 50,000 feet of stream channel and add new soil and vegetation; enhance wildlife habitat by building wetlands; repurpose 7.5 million tons of spent ore; reprocess three million tons of tailings; mine 4 million ounces of gold and 100 million pounds of antimony; and, in the latter stages of operations, restore the East Fork of the South Fork of the Salmon River so fish can migrate to their spawning grounds using routes traveled prior to mining. The project will add Idaho jobs, with an average of between 400 to 500 jobs each year, and pay \$86 million in local and state taxes. Ms. Lyons further stated Midas would partner with apprentice and work force development programs to make sure Idahoans are prepared for the jobs. Ms. Lyons spoke about the steps completed in the permitting process with the PRO filed with the USFS and advised that the process is anticipated to be final in 2019.

In response to committee questions, **Mr. Quin** said that the term "antimony credits" is a financial accounting term where gold is the product and antimony the by-product, and Midas is going to mine gold with antimony coming with it as a credit. Mr. Quin also addressed committee questions regarding how Midas will remit \$86 million in Idaho taxes and hire 400 Idaho employees with an estimated \$43 million direct annual payroll by replying that the \$86 million is federal tax and the 400 Idaho employees is an average that includes employment during project construction with a more stable workforce climbing for the first three years and then declining. Mr. Quin further provided information on capitalization and market value of Midas stock that was responsive to committee questions.

Ms. Lyon answered committee questions advising that the shortened time frame for the anticipated 2019 Record of Decision on their PRO with the USFS is because the state and federal agencies signed an agreement streamlining their communications, and that Midas plans to mine the current Yellow Pine Pit, the West Pit and the tailings heap.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:15 p.m.

Representative Raybould
Chair

Lorrie Byerly
Secretary