



# THE STIBNITE GOLD PROJECT FAQ

MY IDAHO. MY SUPPORT. MY STIBNITE.

## **WHO IS MIDAS GOLD IDAHO?** *PRO EXECUTIVE SUMMARY §ES.4, p. ES-5*

Midas Gold Idaho is a modern mining company that believes mining and the environment can go hand in hand. The company is currently working to permit a mining project near Yellow Pine, Idaho that would benefit the economy, the community and the environment all at the same time.

Midas Gold Idaho is a company of 30+ employees, located right here in Idaho with offices in Donnelly, Cascade, Stibnite and Boise. The company pays taxes and banks in Idaho. Midas Gold Idaho made a proposal for the restoration and redevelopment of the Stibnite Gold Project to the U.S. Forest Service in 2016, and owns the mineral rights and assets associated with the proposed project.

Midas Gold Corporation is in Vancouver, Canada and is a company of 5 people focused on financing, investment and financial regulatory compliance. Midas Gold Corporation is a publicly traded company.

The Stibnite Gold Project is the only project for Midas Gold Idaho and Midas Gold Corporation.

## **WHAT MINERALS IS MIDAS GOLD IDAHO PLANNING TO MINE?** *PRO §6.3, P.6-20*

Midas Gold Idaho is exploring for gold and antimony, plus some silver. Already, the company has found valuable deposits of these minerals at the Stibnite Gold Project.

## **WHAT IS MIDAS GOLD IDAHO DOING NOW?**

Right now, the company is planning for the future. Midas Gold Idaho completed much of its exploration work and submitted its Plan of Restoration and Operations (PRO) to the U.S. Forest Service in September 2016. This plan explains how Midas Gold Idaho would mine the site and, most importantly, how Midas Gold Idaho would take care of the environment before, during and after mining. The plan is available for review on the U.S. Forest Service and Midas Gold Idaho websites.

Midas Gold Idaho is now officially in the permitting phase. Before the company can begin operations at the project, Midas Gold Idaho needs to successfully obtain more than 50 permits and licenses from the federal, state and local agencies. There will be many chances for the community to provide comments on the project throughout the permitting period. It will be several years before Midas Gold Idaho starts any mining at the Stibnite Gold Project site. Keep an eye out for updates from the U.S. Forest Service for information on how to stay involved.

## **WHAT DOES THE PROJECT SITE LOOK LIKE TODAY?** *PRO APPENDIX F, pp. E-1-22*

There is significant environmental damage at Stibnite. For nearly 100 years, the area was mined for gold, antimony, silver and tungsten at a time when there were few, if any, regulatory requirements surrounding environmental protection and clean-up. These historic mining practices left the area littered with open pits, tailings and piles of waste rock. Today, the East Fork of the South Fork of the Salmon River flows into an abandoned mining pit, blocking salmon and trout from migrating to native spawning grounds for the last 80 years.

Tens of millions of tons of tailings and spent ore, left behind from historic mining activities, including those from the World War II era, lie abandoned near the river. Hundreds of tons of sediment erode into the river each year from an earthen dam that failed in the 1960s. Since those early days, mining standards and practices have changed dramatically. While some environmental clean up has taken place, much of the area has not been reclaimed or remediated to anything like today's standards. Midas Gold Idaho plans to undertake the restoration of these historical impacts as part of its Plan of Restoration and Operations (PRO) for the site, a lot of which will occur during construction and the first few years of operations.

**WHAT TYPE OF JOBS CAN VALLEY COUNTY SEE IN THE FUTURE?** *PRO EXECUTIVE SUMMARY §ES.5, pp. ES 5-6; §§3.2.4.2 -3.2.4.4, pp. 3-4 to 3-8*

Opportunities will be available for professionals in an array of fields from craft and trade jobs to highly specialized roles. Midas Gold Idaho is committed to looking to Idaho first for employment and vendors. The types of employees we will need in the future include engineers, geologists, environmental scientists and technicians, truck drivers, equipment operators, electricians, mill operators, catering and camp staff, accountants and warehouse staff. For now, our team includes a talented group of people committed to the idea that modern mining can leave a lasting positive impact on the environment, economy and people of Idaho.

**WHAT ENSURES THAT ENVIRONMENTAL RESTORATION IS COMPLETED?** *PRO §6.3, pp. 6-17 to 6-19; §14.5, p.14-27*

When miners first came to Stibnite well over 100 years ago, there were no reclamation standards. Today, things are drastically differently. Reclamation is not only an expectation, but it is a strict requirement of any mining company. There are many federal environmental laws and regulations that cover all aspects of mining, not to mention the additional layer of state regulations. A large part of the permitting process is dedicated to ensuring environmental standards are maintained from the start of mine construction through reclamation and closure.

Today, mining companies are required to set aside all of the financial security needed to reclaim their site before any work can start on their project. This means before we ever lift a shovel to build any facilities for the Stibnite Gold Project, our reclamation efforts must be fully funded through financial assurance. These standards ensure reclamation will move forward, even if the unexpected happens and a mining company has financial issues, or the project ends early.

In the past, mining companies were only required to set aside a flat fee per acre for reclamation. Today, mining companies, in partnership with regulators, must evaluate the specific project site, figure out the actual cost of reclamation and set aside whatever that cost may be.

Additionally, we designed our plan to repair many of the historical environmental impacts early in the life of the Project, during construction or early operations, which ensures they will happen. We also proposed to continue restoration and reclamation work in parallel with operating the mine.

**IS IT SAFE TO USE CYANIDE AT THE STIBNITE GOLD PROJECT SITE?**

At our project, we will meet or exceed all of the standards of the International Cyanide Management Code and Idaho's Department of Environmental Quality will review and approve all of our plans for cyanide use.

To make sure we are doing things in the safest way possible, all gold ore processing at Stibnite will happen inside an enclosed facility in order to protect the environment. Our building will have 110% containment for the solutions being used. We will use as little cyanide as possible at the site, which will not be difficult since cyanide works so well for gold recovery and is not needed in large amounts or high concentrations. After the ore is mined and crushed, it will be placed in large tanks and mixed with a dilute sodium cyanide solution that contains less than one percent of cyanide. This process extracts the gold from the ore and allows us to recover it to make mixed gold-silver doré bars for further processing off-site.

One of the processes that really sets our use of cyanide apart from operations in the past is the water, cyanide, ore mixture will be chemically treated using a cyanide destruction process, located within the processing building, before being placed in our fully lined tailings storage facility. This process reduces the levels of cyanide to negligible amounts before it ever leaves the contained building. Neutralizing the cyanide is an imperative step in our process to meet our own needs. We plan to recycle water from our tailings storage facility and reuse it in a part of the gold production process, the flotation circuit, where cyanide is not supposed to be present. If any measurable levels of cyanide remain in the recycled water, it would negatively impact gold recovery in flotation.

## **IS ACID ROCK DRAINAGE A CONCERN AT STIBNITE?**

This is not a concern for our project site. The Stibnite area has been mined off and on for over 100 years. Throughout that time, acid rock drainage (also known as acid mine drainage) has never occurred at the site. Acid rock drainage is a naturally occurring process of sulphide minerals oxidizing, combining with water and creating acid.

In fact, after years of study, Midas Gold found that the substantial majority of the rocks we will mine have no potential for generating acid. However, in our plan any rocks that have even the slightest possibility of creating the reaction will be carefully managed and stored in order to neutralize any potential reaction.

## **HOW CAN MIDAS GOLD IDAHO HELP THE ENVIRONMENT?**

Midas Gold Idaho designed the Stibnite Gold Project to clean up areas on site that are currently affecting water quality, blocking fish passage and impacting the area's natural habitat. Through mining, Midas Gold Idaho can restore the site and leave it better than they found it. Midas Gold Idaho's plans include the restoration of fish passage through the site, reprocessing and safe storage of legacy tailings, elimination of the major source of sediment in the area that reduces water quality, creation of more than 450 acres of wetlands and open water, and restoration of over 12 miles of waterways and riparian habitat.

## **WHAT IS THE FOOTPRINT OF THE STIBNITE GOLD PROJECT?**

The Stibnite Gold Project is located on a combination of private and public land just outside of Yellow Pine. Midas Gold's claim package includes 29,827 acres of private and public land but the project footprint is only 1,991 acres – just 7 percent of the total package. We worked hard to contain as much of the project as possible within areas previously disturbed by mining or mining-related activity, as a result, 42 percent of the project footprint is on land that has already been disturbed. By locating facilities on previously disturbed ground, using existing roads and avoiding riparian areas, the other 93 percent of land held by Midas Gold will not be affected by the proposed project. Additionally, 90 percent of the mineral reserves Midas Gold plans on mining are on Midas Gold's private land. As we move forward with our project, we will continue to look for practical ways to minimize the footprint of our project. It is incredibly important to our team that, as much as possible, we keep our work out of areas that have been left untouched and focus our efforts on areas that have already been heavily mined.

## **WHAT MAKES MIDAS GOLD IDAHO DIFFERENT THAN THE COMPANIES THAT HAVE COME BEFORE THEM? WILL WE SEE DIFFERENT RESULTS?**

Midas Gold Idaho is a modern mining company operating under strict local, state and federal regulations. Mining reclamation standards have never been more stringent and checks and balances have been put in place to ensure mining companies take care of the land. Midas Gold Idaho will be required to set aside all the funds required for reclamation before any mining can start. This ensures that, no matter what happens with the Project, the environment will be restored this time. Midas Gold Idaho also has different values than mining operators who have explored Stibnite in the past. The company started with the end in mind. This led the company to develop a plan that is as much about reclamation as it is mining.