



Water Quality & Nez Perce Tribe Talking Points

Situation Summary

The Stibnite Mining District has been severely impacted by a long history of past, largely unregulated, mining activity. Today, there are elevated levels of arsenic and antimony in ground and surface water. Recent data collection points to legacy tailings, waste dumps and a hazardous waste repository installed by the U.S. Forest Service as the potential sources of these elevated metal levels present in the water. Midas Gold has never conducted mining operations on site, has not discharged any pollutants on site and is not responsible for any contamination in the Stibnite Mining District. Midas Gold's actions have been limited to studying the District and collecting data. The Company has regularly shared its water quality data and concerns with regulators.

The Stibnite Gold Project, as set out in the Plan of Restoration and Operations and as adjusted through the NEPA process, is designed to develop a profitable mining project and repair the legacy environmental issues at Stibnite. Midas Gold shares the Nez Perce Tribe's concerns that action needs to be taken to improve the environment, which is why Midas Gold has been routinely meeting with its regulators on the issue of the site's water quality. More recently, the Company has been working closely with the Idaho Department of Environmental Quality and the Environmental Protection Agency to gain permission to take immediate action to define and address the sources of the contaminated water.

Despite the fact that the problems were not created by Midas Gold and that the Company is working diligently to develop a project that would solve the environmental issues at site, the Nez Perce Tribe recently notified Midas Gold of its intent to sue the Company over water quality concerns. Unfortunately, a lawsuit is counterproductive to a long term and sustainable solution.

Talking Points

- Midas Gold did not cause the current problems facing the environment in the historical Stibnite Mining District, however, they want to be part of the solution. Midas Gold has a plan to use responsible mining to fund cleanup and restoration of the site. No one else, including the government, has a plan to address the large scale and widespread issues at site.
- Monitoring of the water at site shows the levels of arsenic and antimony are far beyond what is considered acceptable for drinking water or aquatic life standards, with particularly elevated levels in certain areas. It is unsafe to ignore the problem and leave the site as it stands today. Filing a lawsuit will not fix the problem. High levels of arsenic and antimony will not resolve themselves and need attention. Doing nothing is not a viable option
- Historical mining activity caused the problems in the Stibnite Mining District and mining should be the ones to fix it – not taxpayers.
 - Mining activity has taken place in the Stibnite Mining District on and off for more than a century. Much of the time the site was in operation, particularly in the 1920s-1950s, regulatory and environmental laws were minimal and expectations around reclamation were very different than they are today.



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- The historical mining activity in the Stibnite Mining District was authorized, approved and, at times, encouraged by various federal agencies, particularly during the war years when the production of antimony and tungsten were critical to the war effort.
 - Mining companies today are operating in a completely different regulatory environment. The United States has some of the strictest mining-related environmental regulations in the world. There is heavy oversight of the mining industry and stringent requirements every company must meet in order for their projects to move forward. These regulations help to protect the environment.
 - Midas Gold first started studying the District in 2009. Midas Gold's actions have been limited to studying the District and collecting data – the Company has not conducted any mining in the District.
 - If the Stibnite Gold Project is approved, Midas Gold will not be able to discharge any pollutants in violation of the Clean Water Act.
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- The Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) allows Midas Gold to evaluate and explore the site without being held legally responsible for unreclaimed legacy impacts others left behind.
 - Since its involvement in the Stibnite Mining District, Midas Gold has undertaken numerous voluntary efforts to reduce legacy impacts to the site replacing culverts, reclaiming more than 13 acres of land, gravelling miles of dirt road to reduce sediment input and planting more than 50,000 trees.
 - Addressing larger scale impacts to water quality requires large scale solutions and permits to undertake such activities, which are part of the current permit applications submitted by Midas Gold.