



NEWS RELEASE

USDA Forest Service, Kootenai National Forest Montana Department of Environmental Quality

News Contacts: Kathleen Johnson, Montana DEQ, 406-444-1760
John McKay, Kootenai National Forest, 406-293-6211

December 26, 2001

FOR IMMEDIATE RELEASE:

ROCK CREEK MINE RECORD OF DECISION RELEASED

Helena and Libby, Mont. - Following 14 years of comprehensive and detailed environmental analysis and review, the Montana Department of Environmental Quality (DEQ) and the Kootenai National Forest (NF) today announced release of the Record of Decision (ROD) for Sterling Mining Company's Plan of Operation for the Rock Creek Mine Project in western Sanders County, Montana. Originally submitted by ASARCO in 1987, the proposal is now advanced by Sterling Mining Company, which purchased the Rock Creek properties in 1999.

Alternative Selected: The agencies have approved Sterling's proposed Plan of Operation consistent with Alternative V of the Final Environmental Impact Statement (Final EIS), including additional mitigations as described in the ROD. Alternative V involves developing an underground copper and silver mine for a deposit that lies primarily beneath the Cabinet Mountains Wilderness on the Kootenai National Forest. Based on the known size of the ore deposit, the project is expected to operate for about 30-35 years. A full disclosure of impacts as a result of Montana DEQ's and the Kootenai NF's decision are described in Alternative V of the Final EIS for the Rock Creek Project.

Public Input: About 6,000 individuals; groups; organizations; tribes; and federal, state and local agencies provided comments and suggested resolution on a wide range of issues. Kootenai Forest Supervisor Bob Castaneda stated, "This essential input has helped the Forest Service and Montana DEQ develop the best decision for this proposal that allows the project to proceed as required by law, protects the environment, and

- MORE -

yet addresses a majority of the public's concerns and issues. Jan Sensibaugh, Director of Montana DEQ, added, "Alternative V, as modified in the ROD, is the most environmentally preferred action alternative. It contains modifications, mitigation, and monitoring plans that either avoid, reduce, minimize, or mitigate adverse environmental impacts to a greater extent than any of the other action alternatives."

Several specific components of the decisions are below.

Montana DEQ approves the following, consistent with Alternative V and as modified by the ROD:

- Exploration License for the Evaluation Adit.
- Hard Rock Mining Permit, requiring a paste tailings impoundment.
- Air Quality Permit, including dust abatement mitigation for the paste tailings impoundment.
- Montana Pollution Discharge Elimination System (MPDES) Permit.
- A waiver of Section 401 Certification for Sterling's Section 404(b)(1) permit with the Corps of Engineers.

Kootenai NF approves the following, consistent with Alternative V and as modified by the ROD:

- Sterling Mining Company may utilize 217 acres of National Forest Lands for road access, adit access, a mill site, utility corridors, portions of the tailings facility and water treatment facilities. Approval also includes construction of a ventilation adit, if necessary, within the Cabinet Mountains Wilderness.
- Closure of 5.22 miles of road for bear habitat and allow the Chicago Peak Road to remain open to the public.
- For the protection of grizzly bears, implement a food storage order in bear management units 4, 5 and 6 located in the southern end of the Cabinet Mountains.
- For the protection of threatened and endangered species, Sterling must implement additional terms, conditions, and reasonable and prudent alternatives relative to mine construction and operation established by the Biological Assessment and Biological Opinion.
- Amend the Kootenai Forest Plan: 217 acres will have their management area (MA) prescription changed to MA 31 (mineral development) and/or MA 23 (electric transmission corridor).

Other key components of the decision:

- Total amount of surface disturbance expected is about 482 acres, of which 140 acres are on National Forest System land.
- Bonding will fully cover the cost of water treatment and reclamation of all disturbance. The total bond for the project is estimated to be about \$77 million plus an additional \$4.2 million for grizzly bear protection. All bonds will be reviewed regularly to ensure the amount remains sufficient.
- As part of the MPDES permit, water treatment of mine water and tailings seepage will continue as long as necessary until each water source meets appropriate water quality standards or limits without treatment. The mine adits will either be sealed once the mine water meets ground water or surface water standards or sealed and allowed to drain. In the latter case, the drainage will be captured, treated, and discharged to the Clark Fork River in perpetuity depending upon what hydrogeologic and hydrologic data indicates is the most appropriate available at the end of mine life. Bonding will initially cover water treatment in perpetuity.

- MORE -

Phased Implementation: As part of the decision, the project will be implemented in two phases.

Sensibaugh said, “The lead agencies believe there is more than enough information in the record to support approving this entire project (both the first and second phases) as discussed in the ROD and EIS. However, in order to minimize and manage the environmental risk from this project as much as possible, Sterling must follow a set of requirements before any one phase is authorized to proceed with surface disturbing activities.”

The phases are:

Phase 1: Evaluation adit construction, development, and data collection.

Phase 2: Mine construction, operation, and reclamation.

The ROD will be available on the following agency web sites the morning of December 26, 2001:

Montana DEQ web page at: <http://www.deq.state.mt.us/eis.asp> and the
Kootenai NF web page at: <http://www.fs.fed.us/r1/kootenai>.

The documents will also be available for review at the following locations: MT DEQ offices in Helena; Kootenai National Forest Supervisor’s Office in Libby, Cabinet Ranger Station in Trout Creek; USFS Regional headquarters in Missoula; Corps of Engineers office in Helena; Montana State Library in Helena; UM Mansfield Library in Missoula, and local libraries in Missoula, Thompson Falls, Libby, Heron, and Noxon in Montana, and Clark Fork, Sandpoint, and Coeur d’Alene libraries in Idaho.

Each agency’s decisions will be available for review under their respective administrative review (appeal) processes.

For additional information, please contact Kathy Johnson at Montana Department of Environmental Quality, Helena, Montana, (406) 444-1760; or John McKay, Kootenai National Forest, (406) 293-6211.

###