

# Laurentian Vision Partnership

## Meeting LXX Report

### "Planning and Project Implementation 2019"



Wednesday, January 23, 2019  
Mining and Reclamation Classroom | Chisholm, Minnesota

# Laurentian Vision Partnership

## Meeting LXX

January 23, 2019

### “Planning and Project Implementation 2019”

#### MEETING OBJECTIVE

The Facilitator reviewed the past meeting results and next steps, highlighted meeting objectives and went over the agenda for today’s meeting.

*Northeastern Minnesota’s mining industry and the communities that have grown out of natural resource development are facing changing landscapes, issues and opportunities. Impacted by global and national factors, existing Iron Range mines and proposed resource-based projects are embracing new challenges to remain globally competitive and operate with a social license to mine. Communities facing land use issues and seeking to provide residents with a high-quality of life are advancing new business, community and recreational projects by cooperatively solving land use issues. LVP, by convening stakeholders in timely discussions, seeks to collaboratively address the needs of communities, mining operations, resource management, land retention, reclamation, environmental permitting, local revenue generation and land reuse.*

*The focus of this meeting is on several major topics including updates on two non-ferrous mining projects: PolyMet’s NorthMet project, which has received approvals for several significant permits and Twin Metals Minnesota, which can now move ahead to renew their leases, continue exploration and mine planning given action taken by the USFS to rescind the land withdrawal and moratorium on mining in the Superior National Forest. We will have an introduction to AngloGold Ashanti Minnesota, their state leases, and efforts underway to explore for gold and other precious minerals. Next, we’ll have an update on the Hibbing Mine View Project, discussing the major progress as well as commitment of additional grant funds to support this historic initiative. Finally, we will hear progress reports from regional groups and work groups on several timely items of interest including: Minescape Projects, new grant programs being offered by IRRR, sub-committee work on the draft 2019-2024 LVP Strategic Plan, and updates to the Mesabi Large Scale Projects Map. We will wrap up this meeting with an optional tour of Corescan Mobile Lab, a pilot project located at the Drill Core Library in the Hibbing MDNR offices. This innovative technology was introduced at our last meeting and is a great opportunity for interested members to see it firsthand.*

#### MEETING SUMMARY

##### Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting LXIX results and next steps (October 2018)
- Overview of meeting objective and agenda

#### PRESENTATION

##### PolyMet Mining – NorthMet Project Update

- Status of permits and legal issues
- Land exchange
- Legislative issues or needs
- Other

**Brad Moore**

Executive Vice President, Environmental and Governmental Affairs, PolyMet

**LaTisha Gietzen**

Director of Public and Community Affairs, PolyMet

Brad and LaTisha shared a PowerPoint presentation providing a timely overview and update on the status of the NorthMet Project. They highlighted details of the major milestones and project permit approvals achieved in 2018; the path and remaining work going forward toward construction and commercial production; how financial assurances will be handled and what’s included in the Permit to Mine approved by the State; an overview of lawsuits and pending appeals and what litigation we might expect to see going forward; an overview of the NorthMet Project in terms of the mineral resource and its significance in reducing imports of strategic minerals, the PolyMet commitment to responsible mining and environmental stewardship, the former LTV assets that will be refurbished and utilized as part of this new mining project and the two development phases and economic benefits of the project both going forward and since 2006; and current work underway given the State permits approval including final engineering, financing and capital development to move to construction. They concluded the presentation with some details on current work underway and planned for this spring and beyond including development of the environmental management and monitoring and reporting system, well installation and geotechnical work, monitoring equipment installation and baseline data

development, and abatement of asbestos in the former LTV buildings that will now be activated for the project. They thanked everyone for the past and ongoing support shared by communities and entities across the Iron Range and how important that support and commitment was to achieve the milestones highlighted and now going forward with project development. There were questions asked throughout the presentation and was very well received my members.

A copy of Brad and Latisha's PowerPoint presentation is available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).

## P R E S E N T A T I O N

### **AngloGold Ashanti Minnesota – Mineral Leasing and Exploration Initiative**

**Jonathan Gorman**  
Manager Reclamation & Regulatory Affairs, AngloGold

Jonathan shared a PowerPoint presentation focusing on an overview of the company, their interest and exploration efforts underway in Minnesota and what we might expect in the future. AngloGold Ashanti (AGA) is the third largest gold producer in the world with its corporate headquarters in Johannesburg, SA. AngloGold Ashanti Minnesota (AGAM) is a subsidiary of AngloGold Ashanti North America Inc. with its North America headquarters in Denver Colorado. AGA has operated mines in North America in the past 25 years and is now once again exploring opportunities in Nevada and Minnesota. He explained in some detail why Minnesota is being looked at today and why they've leased exploratory sites in Koochiching, Itasca and St Louis Counties. They have accessed the IRRR Drilling Incentives Grant Program to help support their work. AGAM has been active since 2015 and are employing the latest technology, Rotosonic drilling, to assess the potentials in the region. Since 2015 they have acquired 271 leases and drilled or are drilling 101 holes in a key target area as shared in a map of the sites and locations. Provided a series of photos from the drill sites showing before, during and after site cleanup. They employ local drilling contractors and other local labor and related Minnesota based consultants that are trained to support their exploration efforts. AGAM has invested over \$3 million in leasing and exploration work to date and will continue to nominate more lease sties. Explained the lease process and requirements in Minnesota and how permits are obtained and what's required. All leases are approved by the State Executive Council and are coordinated with Mn DNR, Mn Health Dept and the local counties and townships involved. Leases are located on tax forfeit land including School Trust Lands. Commented on AGA's commitment to environmental sustainability and the mission they employ globally. Addressed a number of questions related to who handles company permitting in Minnesota; what are they finding so far from the core samples evaluated; have they abandoned any target areas/sites to date; what are they learning about the geology and distances to bedrock; and will they continue exploration in 2020 and beyond? Jonathan and his presentation were well received by members and Randy thanked him for joining us today.

A copy of Jonathan's PowerPoint presentation is available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).

## P R E S E N T A T I O N

### **PRESENTATION: Twin Metals Mining Project Update**

- Current status of project and recent developments
- What should we expect to see in 2019?
- Timing of future project major milestones?
- Challenges and concerns?

**Dean Debeltz,**  
Director of Operations and Safety,  
Twin Metals Minnesota

Dean shared a PowerPoint presentation focusing on the status of the project and recent actions related to federal and state leases that have allowed the project to move ahead, and the timeline and major work we can expect to see happening in 2019 and beyond. Began by explaining a pending lawsuit related to Twin Metals Minnesota (TMM) site safety and allowance of public access on public lands with signs etc. TMM has an approved drilling plan which prevents this kind of access and is now being addressed in the courts. He went on describe the ownership of TMM by wholly owned subsidiary of Antofagasta plc, a Chilean company and one of the top 10 copper producers globally. Provided a timeline from 2006 when the project was initiated and highlighted key milestones and the delays beginning in 2016 related to both state and federal leases. Described in detail the process and next steps currently underway to achieve renewal of lease #1352. TMM is currently in the lease terms and conditions comment period which was extended to 1/30/19. Details and the opportunity to comment is on TMM's web site. Lease renewal will allow the project to move from exploration to mine planning and the submittal of the formal project proposal which will trigger state and federal environmental review processes under a joint EIS. Went on to share in detail the field work underway to complete baseline studies to support mine design efforts and various State and Federal permitting requirements related to groundwater and surface water hydrology, exploratory boreholes and borehole sealing, acoustic televueing of 76 holes to evaluate fracture orientation and borehole conditions and related baseline work. Concluded by explaining the \$400 million investment made to date and the potential economic impact of this effort in terms of jobs, investment and tax revenues. Addressed a number of questions about filing of the Mine Plan in 2019 and when the scoping EAW will

begin; any anticipated big issues expected with the EAW; and the benchmarking of State leases. Dean would like to come back at a future meeting and share the Mine Plan proposal when TMM is ready to move this part of the process. Randy thanked Dean for his presentation and the questions shared.

A copy of Dean’s PowerPoint presentation is available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).

## P R E S E N T A T I O N

### Hibbing Mine View Project Update

**Pete Hyduke**  
Director of City Services  
City of Hibbing

Pete shared a PowerPoint presentation and video focusing on an overview of the project, the multiple phased development strategy and the status of the phases and the work remaining and timing. He explained that 12 years ago HibbTac notified the city that the current Mine View site would need to be vacated at some point in the future. Two years ago, the vacation notice was received, and the effort was initiated to work with Cliffs Mining, Andy Lucia, a Hibbing architect, and the community to vision and develop a new Mine View site. The video was shown explaining the “Windows to the World” vision concepts. Pete went on with the presentation explaining in some detail the three phases of the project and site plan and specifics. The first phase was completed in 2018, with Phase two in progress in 2019 including the development of a new building and bituminous surfacing of the walkways. The site is designed to view the mine area with panoramic 360’ views, offer an indoor facility for mining interpretation and historic information on the mine area. Its design and intent are unique to the Iron Range. He thanked IRRR for funding support for the project to date and the other resources and commitments that have been made. More funding development will need to occur to complete the project as planned. Addressed questions on seasonality of the design, what the historic intent would be, what was past visitation levels at the old site, how much of the old site will be transferred and used at the new site, funding need details for each phase and the total investment. John Tourville, economic development consultant shared in the responses to these questions. The presentation was well received, and a future tour of the site was suggested.

A copy of Pete’s PowerPoint presentation is available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).

## P A R T N E R S H I P P R I O R I T I E S

### Regional Group Action Progress Reports

The following Regional Groups were present and provided an update on their major activities related to LVP. Copies of the handouts are available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).

REGIONAL GROUP	CURRENT PROJECTS
<b>Western Mesabi Mine Planning Board (WMMPB)</b> Doug Learmont, Director	<ul style="list-style-type: none"> <li>· Highlighted several major priority initiatives and their status including rising pit water levels; the future of the Hill Annex Mine and State Park status; the need for \$50 million for completion of Highway 169 four lane - Cross Range Expressway project; the status and use of assets for several projects currently in bankruptcy proceedings; described the nine county Strategic and Critical Materials District; and how land use planning ties to all of these priorities.</li> </ul>
<b>East Range Joint Powers Board (ERJPB)</b> Elissa Hansen, President of Northspan Group and Consultant to ERJPB	<ul style="list-style-type: none"> <li>· Northspan is providing consultant support services and met with all of the communities to formalize a 2019 work plan and area priorities for economic and community development. Those results are compiled and will be presented to the communities in February; continuing work on the Broadband project with a visioning session planned for late February; initiated work on addressing the childcare shortage on the East Range pulling detailed info from the recent regional assessment and documenting a 253% need on the East Range today; and finishing work to seek Shovel Ready certification by DEED for the Laskin Energy Park.</li> </ul>

<p><b>Quad Cities</b> Melissa Cox, President of the Laurentian Area Chamber</p>	<ul style="list-style-type: none"> <li>Shared several legislative priorities including childcare, broadband and work of the new Broadband Committee, mental health, environmental permitting support for major projects, and workforce development. They are doing more Grow Minnesota business retention visits on a confidential basis and will sponsor a Job Fair set for March 29<sup>th</sup>.</li> </ul>
<p><b>Central Iron Range Initiative (CIRI)</b> Eric Dott, Barr Engineering</p>	<ul style="list-style-type: none"> <li>Updated members on the Brownfield Project and a new application being made to the EPA for a \$300,000 grant. Nine sites in eight communities have benefitted from this regional program. The last grant was made in 2016 and all work nearly completed.</li> </ul>
<p><b>Cuyuna Range Area</b> Michael Burton and Kevin Egan, Members of Brainerd Lakes Economic Development Corporation (Bladec)</p>	<ul style="list-style-type: none"> <li>Shared that they have been members of LVP for the past five years and appreciate the opportunity to report on a regular basis on the exciting things going on in the area. Described several new projects including a new hotel being built in the City of Crosby near the hospital; American Peat is expanding their peat mining operations, doubling their capacity near McGrath; and the Cooperative Minerals Manganese Project site near Emily has seen some recent activity with Crow Wing Power interested in a potential partnership in the project.</li> </ul>

## PARTNERSHIP PRIORITIES

### Work Group Action Progress Reports

Individual Work group representatives provided the following reports and next steps.

Action Areas	Work Group Priorities	Work Group Representative(s)	Update/Next Steps
<p><b>TARGETING PRIORITY PROJECTS</b></p>	<p>1. <ul style="list-style-type: none"> <li>Minescape Grants Update – new awards and proposed projects, status of FY 2019 funds</li> <li>New Mine Pit Shoreland Grants Program Update</li> <li>FY 2020 Minescape budget and funding for LVP Strategic Plan</li> </ul></p>	<p><b>Jim Plummer</b></p>	<ul style="list-style-type: none"> <li>Shared a PowerPoint presentation addressing highlights for each of the three topics as follows: <ul style="list-style-type: none"> <li>Two Minescape Grants totaling \$200,000 have been awarded for the City of Hibbing to recycle former mineland in the amount of \$150,000, and the City of Virginia in the amount of \$50,000 for the Northern Suns, 2 MW solar project. That completes all FY 2019 funding. FY 2020 funds may be available on July 1, 2019 if approved for next year’s budget.</li> <li>Mine Pits Lakeshore Enhancement Grants is a new grant program with \$100,000 available for FY 2019 projects. Explained that one application was received by the City of Virginia for the Lake Ore Be Gone area. The award was made and \$111,000 provided by the city for a total \$211,000 project.</li> <li>The agency will be seeking FY 2020 Minescape Grant funding in the next budget cycle. A portion of that funding maybe earmarked for development of a refreshed, LVP Strategic Plan. More details to follow on this.</li> </ul> </li> </ul>
<p><b>DELIVERING TOOLS AND RESOURCES</b></p>	<p>1 Large Scale Projects Mapping Update</p>	<p><b>Jim Plummer, IRRR</b> <b>Tim Pastika, MDNR</b></p>	<ul style="list-style-type: none"> <li>Brief update highlighted. Any additions should be shared with Tim or Jim. The map is available on the LVP website.</li> </ul>

## OTHER BUSINESS UPDATES and FUTURE TOPICS

### Future Topics/Presentation Recommendations of LVP Coordinating Committee (Winter 2019)

The group discussed several possible discussion topics highlighted on the agenda by the Coordinating Committee and received a new updated handout of past topics of interest. The following topics were highlighted by members as possible priorities for the Spring 2019 meeting.

- Cleveland - Cliffs Update on Hibbtac, Northshore Mining and other interests and/or Panel Discussion by Area Mining Company Representatives on Iron Range Mining
- 2019 Legislative Session Outcomes and Debrief – IMA, RAMS, Mining Resources, Counties and other – IRRR?
- Discuss original LVP Concept and Future Focus on Reclamation and Financial Assurances
- Highspeed Broadband Update
- Mining Pit Overflows at Five Locations – MnDNR
- Mesabi Metallica Mining (Essar) Update?

## COORDINATING COMMITTEE MEETING

The next Coordinating Committee will be held on **Friday, May 3, 2019 from 9:00 A.M. to Noon at the Mining and Reclamation Classroom**, Minnesota Discovery Center in Chisholm. Work Group and Regional Group representatives will be asked to assist in developing the June 2019 membership meeting agenda.

## LVP QUARTERLY MEETING

The next Laurentian Vision Partnership meeting will be held on **Wednesday, June 19, 2019** from 9:00 A.M. to 12:30 P.M. in the Mining and Reclamation Classroom at Minnesota Discovery Center in Chisholm.

## Partnership Meeting LXX

Wednesday, January 23, 2019 (9:00 AM – 12:30 PM)

Mining & Reclamation Classroom, Chisholm

Northeastern Minnesota’s mining industry and the communities that have grown out of natural resource development are facing changing landscapes, issues and opportunities. Impacted by global and national factors, existing Iron Range mines and proposed resource-based projects are embracing new challenges to remain globally competitive and operate with a social license to mine. Communities facing land use issues and seeking to provide residents with a high-quality of life are advancing new business, community and recreational projects by cooperatively solving land use issues. LVP, by convening stakeholders in timely discussions, seeks to collaboratively address the needs of communities, mining operations, resource management, land retention, reclamation, environmental permitting, local revenue generation and land reuse.

The focus of this meeting is on several major topics including updates on two non-ferrous mining projects including PolyMet’s NorthMet project which has received approvals for several significant permits and Twin Metals Minnesota can now move ahead to renew their leases and continue exploration and mine planning given action taken by the USFS to rescind the land withdrawal and moratorium on mining in the Superior National Forest; we will have an introduction to AngloGold Ashanti Minnesota and their state leases and efforts underway to explore for gold and other precious minerals; and we’ll have an update on the Hibbing Mine View Project and the major progress and commitment of additional grant funds to support this historic project. Finally, we will hear progress reports from regional groups and work groups on several timely items of interest including Minescape Projects, new grant programs being offered by IRRR, sub-committee work on the draft 2019-2024 LVP Strategic Plan, and updates to the Mesabi Large Scale Projects Map. We will wrap up this meeting with an optional tour of Corescan Mobile Lab a pilot project located at the Drill Core Library at the Hibbing MDNR offices. This new innovative technology was introduced at our last meeting and is a great opportunity for interested members to see firsthand.

### PROPOSED AGENDA

<b>9:00</b>	<b>Laurentian Partnership Debriefing</b>	<b>Randy Lasky</b> , Facilitator
	<ul style="list-style-type: none"> <li>• Participant introductions and expectations</li> <li>• Opening comments</li> </ul>	<ul style="list-style-type: none"> <li>• Review of Meeting LXIX results and next steps (Oct-18)</li> <li>• Overview of the meeting objective and agenda</li> </ul>
<b>9:15</b>	<b>PRESENTATION: PolyMet Mining – NorthMet Project Update</b>	<b>Brad Moore</b> Executive Vice President, Environmental and Governmental Affairs, PolyMet
	<ul style="list-style-type: none"> <li>• Status of permits and legal issues</li> <li>• Land exchange</li> <li>• Legislative issues or needs</li> <li>• Other</li> </ul>	<b>LaTisha Gietzen</b> Director of Public and Community Affairs, PolyMet
<b>10:00</b>	<b>PRESENTATION: AngloGold Ashanti Minnesota – Mineral Leasing and Exploration Initiative</b>	<b>Jonathan Gorman</b> Manager Reclamation & Regulatory Affairs, AngloGold
	<ul style="list-style-type: none"> <li>• Introduction to company</li> <li>• Overview of their exploration efforts in Minnesota and status of the project</li> <li>• Interest in other strategic minerals beyond gold</li> <li>• Share perspective on global market situation for gold</li> </ul>	
<b>10:30</b>	<b>PRESENTATION: Twin Metals Mining Project Update</b>	<b>Dean Debeltz</b> , Director of Operations and Safety, Twin Metals Minnesota
	<ul style="list-style-type: none"> <li>• Current status of project and recent developments</li> <li>• What should we expect to see in 2019?</li> <li>• Timing of future project major milestones?</li> <li>• Challenges and concerns?</li> </ul>	
<b>11:00</b>	<b>PRESENTATION: Hibbing Mine View Project Update</b>	<b>Pete Hyduke</b> Director of City Services City of Hibbing
	<ul style="list-style-type: none"> <li>• Overview and status</li> <li>• IRRR Project Grants</li> <li>• Work remaining and timeline.</li> </ul>	

11:15	Break	
11:25	<b>Partnership Priorities: Regional Group Action Progress Reports</b> <ul style="list-style-type: none"> <li>• <b>What's happening in regional areas across the Iron Range?</b> <ul style="list-style-type: none"> <li>○ Western Mesabi Mine Planning Board (WMMPB) <span style="float: right;"><b>Doug Learmont</b>, Coordinator</span></li> <li>○ East Range Joint Powers Board (ERJPB) <span style="float: right;"><b>Elissa Hansen</b>, President of Northspan Group and Consultant, ERJPB</span></li> <li>○ Quad Cities <span style="float: right;"><b>Melissa Cox</b>, President of Quad Cities Area Chamber of Commerce</span></li> <li>○ Central Iron Range Initiative (CIRI) <span style="float: right;"><b>John Fedo or Pete Kero or Rick Crum</b>, CIRI Members</span></li> <li>○ Cuyuna Range Area <span style="float: right;"><b>Michael Burton and Kevin Egan</b>, Cuyuna Range</span></li> </ul> </li> </ul>	
11:45	<b>Partnership Priorities: Work Group Action Progress Reports</b> <b>Targeting PRIORITY PROJECTS</b> <ul style="list-style-type: none"> <li>• Minescape Grants Update – new awards and proposed projects, status of FY 2019 funds <span style="float: right;"><b>Jim Plummer</b>, IRRR</span></li> <li>• New Mine Pit Shoreland Grants Program Update</li> <li>• FY 2020 Minescape budget and funding to LVP Strategic Plan</li> </ul>	
11:55	<b>Delivering TOOLS AND RESOURCES</b> <ul style="list-style-type: none"> <li>• Mesabi large-scale map update <span style="float: right;"><b>Tim Pastika</b>, MDNR</span></li> </ul>	
12:00	<b>Other Business Updates and Future Topics</b> <span style="float: right;">Facilitator</span> <ul style="list-style-type: none"> <li>• <b><u>Future Topics/Presentations Recommendations (Spring 2019)</u></b> <ul style="list-style-type: none"> <li>○ Cleveland - Cliffs Update on Hibbtac, Northshore Mining and other interests</li> <li>○ 2019 Legislative Session Outcomes and Debrief – IMA, RAMS, Mining Resources, Counties and other</li> <li>○ Multiple Transportation Topics by Key Service Providers: <ul style="list-style-type: none"> <li>– Range Regional Airport</li> <li>– Duluth Superior Port Authority</li> <li>– Rail service by CN and BNSF and Captive Rail Project Update</li> <li>– MN DOT District Iron Range Projects Update</li> </ul> </li> <li>○ 2018-2019 Talent Forecast – a regional study overview, outcomes and recommendations by Area Partnership for Economic Expansion (APEX)</li> <li>○ Community mining focused/related project presentation – to be determined</li> </ul> </li> <li>• <b><u>Other Future Topics/Presentations Recommendations (Fall 2019)</u></b> <ul style="list-style-type: none"> <li>○ Regional Trails Development and Coordination (Postponed based on the status and timing of construction projects and plans being developed) <ul style="list-style-type: none"> <li>– Panel discussion format</li> <li>– Focus on minerals impact and sustainability</li> <li>– Trail planning ties to local and regional comprehensive plans and mine development plans</li> <li>– Coordination of trails development and grant support – Range-wide</li> <li>– Iron Range Tourism Bureau involved</li> <li>– ARDC update on St Louis/Koochiching County Trails Planning project introduced in spring 2018</li> <li>– Projects demonstrations</li> <li>– Funding vehicles available</li> </ul> </li> <li>○ Panel Discussion by Area Mining Company Representatives on Iron Range Mining</li> </ul> </li> </ul>	
12:10	<b>What's Next?</b> <span style="float: right;">Facilitator</span> <ul style="list-style-type: none"> <li>• Meeting Schedule</li> <li>• Meeting date and agenda <ul style="list-style-type: none"> <li>○ <b>Coordinating Committee</b> – TBD/April <span style="float: right;">Representative from each work group and each sub-regional group</span></li> <li>○ <b>Laurentian Vision Partnership</b> – TBD May/June 2019</li> </ul> </li> <li>• Wrap up announcements and conclusions</li> </ul>	
12:15	<b>Adjourn Meeting to Optional Tour</b>	
12:30	<b>Optional Tour of the Corescan Mobile Lab Facility –</b> <b>Located at DNR Lands and Minerals office:</b> <b>1525 3<sup>rd</sup> Avenue East, Hibbing, MN</b> <b>10 minute drive (See Handout for directions)</b>	