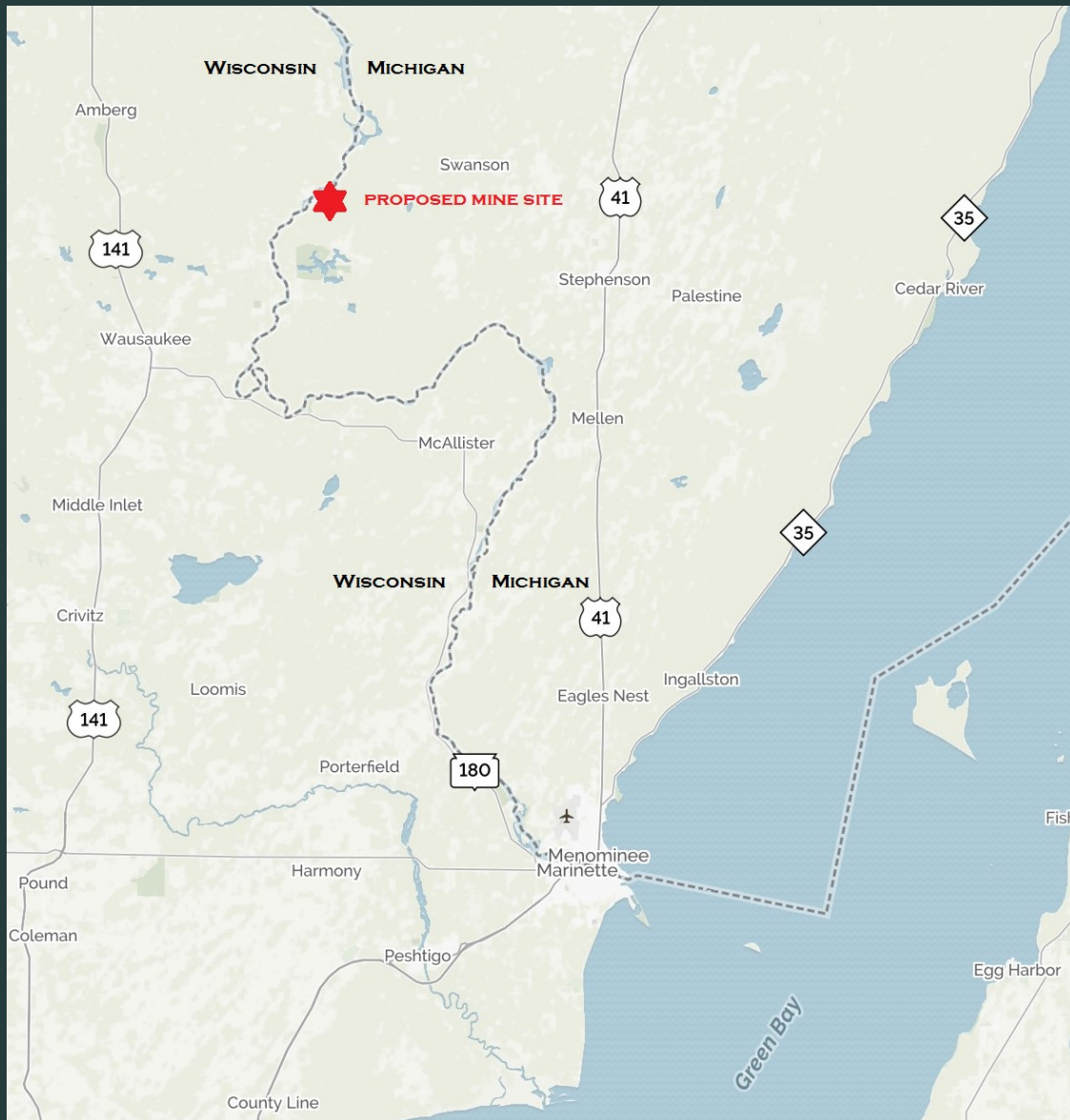


Protecting the Public from the Proposed Back Forty Mine



*Out of 250,000+ rivers in the United States
the Menominee River was named the 10th most
endangered river due to the threats from the
proposed Back Forty Mine*



People over Profits
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Protecting the Public's Interests

The proposed Back 40 Mine project poses significant risks to the clean water supply of communities near the mine site as well as down river and Lake Michigan communities. In addition, the surrounding ecosystem and sites of historic, cultural and religious significance to the Menominee Indian Tribe face the threat of destruction. The proposed open pit metallic sulfide mine would sit a mere 50 yards on the Michigan side of the Menominee River, which serves as the border of Northern Wisconsin and Michigan's Upper Peninsula. The proximity to this major bi-state/interstate commerce waterway increases the risk of widespread and irreversible damage when this project results in acid mine drainage, metal contamination and other pollution. Based on the industry's track record, it's not a matter of if the project will pollute, it's a matter of when and to what extent the project will pollute. These significant risks are inherent, unavoidable and are greatly increased when the potential for natural catastrophes (flood, tornado, earthquake) or human errors are factored in.

Lack of Financial Assurances

The Back Forty mining permit requires a financial assurance "sufficient" to cover the cost of reclamation and remediation of contamination in violation of the mining permit. 75% of the total required shall consist of a cash equivalent security with the remaining 25% consisting of a statement of financial responsibility. What is "sufficient" will rely heavily on the anticipated risks, which according to the company "There will be no acid mine drainage". Similarly, the serious risks have been downplayed by relying on technology and engineering which is known to fail. In this type of an arrangement companies have every motivation to predict lower risks to lower their required financial assurance. Acid Mine Drainage can occur for hundreds of years and where will the company be in one hundred years?

The history of sulfide mining is filled with companies going bankrupt or lacking the financial resources to respond to pollution from their mines. When this happens, guess who is on the hook for cleanup— the taxpayers. Its common practice for companies created for specific mining projects to go out of business when that mine closes. The backlog of clean up costs for hardrock mines in the U.S. are estimated at \$20-\$45 billion, and new sites are being added to the list of unfunded liabilities every year.

Examples of costs left to the taxpayers—

- **Summitville Gold Mine, Colorado**—The company filed for bankruptcy, leaving cleanup costs to the public. Costs are expected to be over \$235 million and take 100+ years.
- **Zortman Landusky Mine, Montana**—In 1998 the company abandoned the site and filed for bankruptcy. Following the company's bankruptcy, its estimated Montana taxpayers could remain on the hook for up to \$90 million dollars.
- **Gilt Edge Mine, South Dakota**—The parent company, Dakota Mining, went bankrupt and abandoned the mine in 1999 with its \$6 million dollar bond insufficient to even cover water treatment for one year. Costs of \$100 million plus continue to grow.

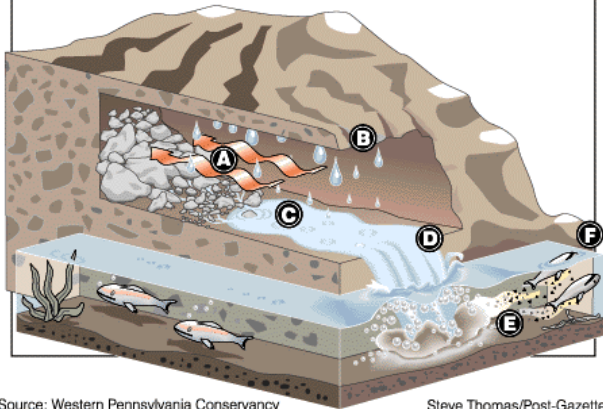
Examples of unanticipated major mining disasters in the last 3 years—

- **Gold King Mine, Silverton Colorado**—In 2014 the EPA found metals emanating from Cement Creek posed serious risks to the aquatic environment for several miles downstream and impairment for at least 30 miles downstream. On August 5, 2015 the EPA was conducting an investigation of the mine to assess the on-going water release from the mine. While excavating, pressurized water began leaking above the mine tunnel, spilling over 3,000,000 gallons of water into Cement Creek, a tributary of the Animas River.
- **Mt. Polley Mine, British Columbia Canada**—On August 4, 2014, a tailing pond breach at the Mt. Polley Mine, sent 6,600,000,000 gallons of toxic wastes and waste water into Polley Lake and eventually into the Cariboo River. An engineering panel named by the British Columbia government found the design of the tailing dam was faulty and built on unstable glacial soil. The spill is one of the biggest environmental disasters in modern Canadian history.

Acid Mine Drainage

Here's a look at what AMD is and how it affects the surrounding environment.

- Ⓐ During mining, pyrite is exposed to oxygen.
- Ⓑ Ground water seeps into the mine.
- Ⓒ Oxygen, water and pyrite react to form sulfuric acid and in turn dissolve metals from the rocks.
- Ⓓ Water drains out of the mine.
- Ⓔ Dissolved metals react with oxygen and fall out of solution into the stream water, turning a bright color.
- Ⓕ Aquatic animals and plants are killed by the drainage.



Understanding Acid Mine Drainage

Among the most dangerous risks associated with metallic mineral mining, acid mine drainage (AMD) stands out, due to its potential to permanently and irreparably damage the surrounding ecosystem. AMD originates when minerals containing sulfur interact with oxygen and water. This chemical reaction generates the acid, which can continue for hundreds or even thousands of years.

In the Great Lakes area the high grade ore deposits have been depleted leaving only the small traces of precious metals in large rock deposits. This means to get to the precious metals at the Back 40 project an enormous amount of sulfate containing waste rock is produced (54 million tons). It is this waste rock, when exposed to oxygen and water, that generates the AMD.

Even with existing technology, AMD is virtually impossible to stop once it begins. To permit an acid generating mine, means future generations will inherit the responsibility for a mine that could require management in perpetuity.

Understanding the Added Dangers of Tailings Ponds

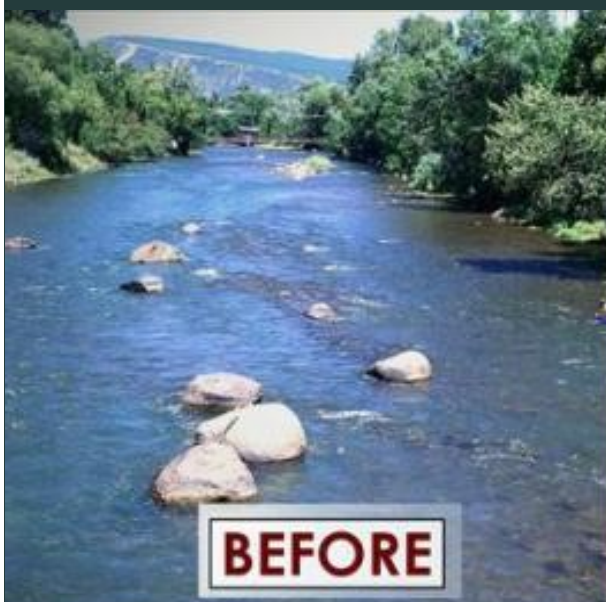
The proposal to mine at the Back Forty site also includes plans to process the ore onsite. To accomplish separating the valuable metals from the ore requires the use of dangerous and toxic chemicals such as cyanide. The materials left over after this process are known as tailings, also called mine dumps, culm dumps, slimes, tails, refuse, leach residue or slickens. Tailings are distinct from overburden, which is the waste rock or other material that overlies an ore or mineral body and is displaced during mining without being processed.

Tailings storage facilities are a significant risk due to the vast quantities of hazardous materials stored in the tailings ponds. At the Flambeau Mine in Ladysmith, Wisconsin no tailings were generated as 100% of the ore was shipped to Canada. By contract the back forty mine as proposed with a 7 year life would produce approximately 11,800,000 tons of tailings to be managed.

A Cautious Approach on Economic Figures

A 2015 University of Minnesota report shows mining represents less than 1% (0.8%) of the jobs in the four county region (Delta, Dickinson, Menominee Counties MI, and Marinette County, WI). By contrast the tourism and hospitality industry represents 11% of the regions employment.

The same 2015 study commissioned by Aquila, noted to readers, "readers are encouraged to remember the BBER an entity of the UMD Labovitz School was asked to supply an economic impact analysis only. Any subsequent recommendations should be based on the "big picture" of total impact". The risks to tourism and impacts on 11% of the region's employment, the loss of property values and subsequent permanent impacts to property taxes were not considered.



Before and After of the Animas River, Colorado



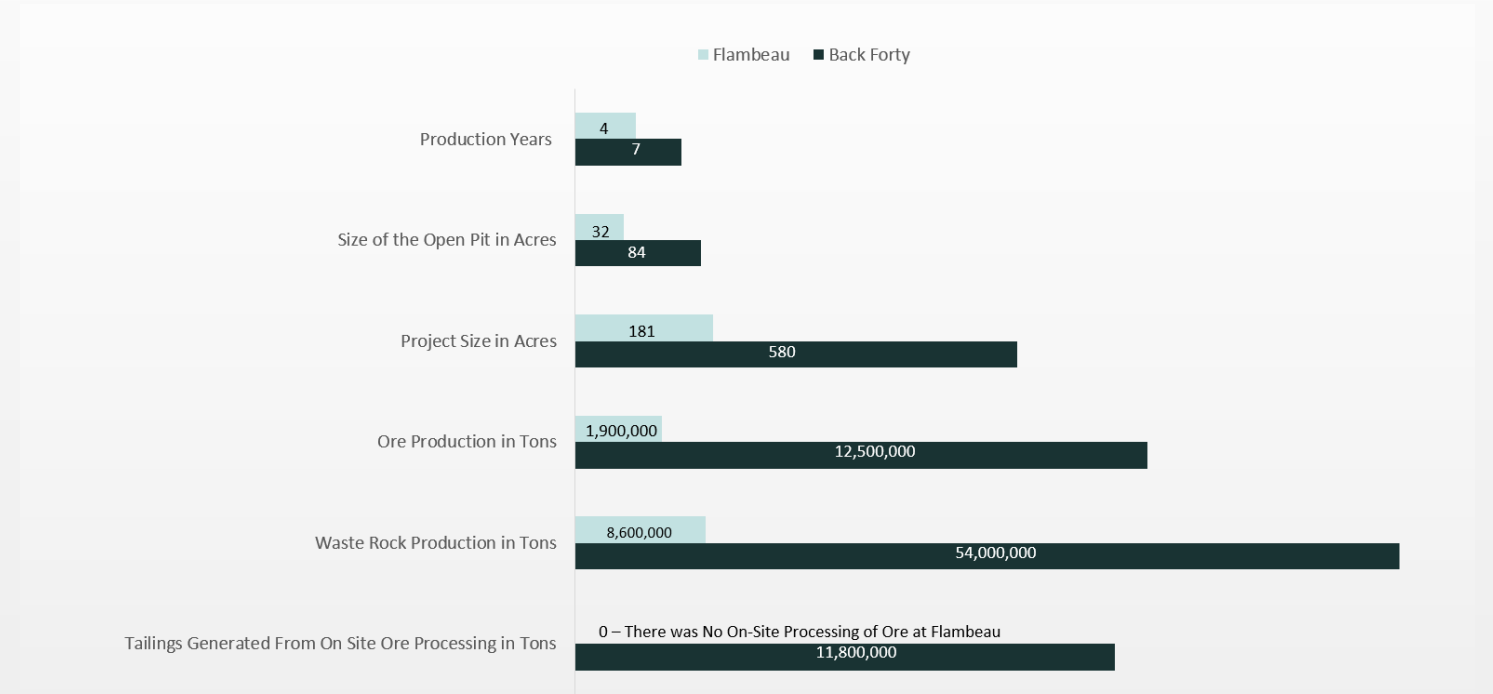
The Flambeau Mine Myth

“Flambeau was a very successful mining operation, and the two sites are very similar, so we’ve been able to use the engineering work done on Flambeau as a template for the Back Forty mine”. — Steven Donahue (Foth Infrastructure & Environment)

Proponents of the proposed Back 40 mine, such as Steven Donahue, a consultant on the Flambeau mine and the Back 40 project, point elected officials and the public to selective facts and carefully worded statements about the Flambeau Mine. This attempt to influence public opinion, relies on elected officials and the public to wholesale adopt these statements without questioning their accuracy. Independent review of the information ensures an objective view and empowers us to be in a position to make educated decisions.

Everyone is entitled to their own opinion, however everyone is not entitled to their own facts. The fact is the Flambeau Mine is not a good comparison for the proposed Back 40 Mine (See Chart 1). The Flambeau Mine’s economic impact on Rusk County was minimal. (See Chart 2) The Flambeau Mine has and continues to pollute the area’s environment (See Chart 3). Foth’s predictive modeling on the Flambeau Mine’s impact was drastically off according to the company's own numbers. (See Chart 4)

Comparing the Flambeau Mine vs the Back Forty Mine (Apples vs. Oranges)



What impact did the Flambeau Mine have on Rusk County?

A common tactic used by mining companies is the promise of high paying jobs and other economic stimulation. “Over Promise and Under Deliver” is unfortunately a common theme as most local citizens will not qualify for the high paying jobs and local economic numbers rarely materialize. Rusk County’s Per Capita Income (Wisconsin Blue Book) and the Unemployment Rate (Wisconsin Department of Workforce Development) were considered in terms of ranking amongst Wisconsin’s 72 counties. The ranking relative to Wisconsin’s other 71 counties ensures national or other widespread economic factors are not mistaken for increases or decreases in a specific county. Ask yourself — did the Flambeau Mine result in the high paying jobs or major economic stimulation promised to Rusk County, WI?

| Rusk County Rank out of 72 WI Counties | Per Capita Income | Unemployment Rate |
|----------------------------------------|-------------------|-------------------|
| 1991 | 70 | 70 |
| 1992 | 69 | 71 |
| 1993 | 71 | 72 |
| 1994 | 71 | 72 |
| 1995 | 71 | 71 |
| 1996 | 70 | 70 |
| 1997 | 70 | 71 |
| 1998 | 70 | 63 |
| 1999 | 70 | 59 |

Environmental Impacts of the Flambeau Mine?

In 2012 a Flambeau River tributary, known as “Stream C”, was officially added to the EPA’s list of impaired waters due to high levels of copper and zinc. This continued acute aquatic toxicity designation by the EPA remains in place today. The existence of high levels of minerals in the water have also had a measurable impact on the wildlife. For example testing on Walleye livers was required until 2011. The results of this testing shows increase levels of Copper, Zinc, and Iron in the downstream testing sites.

| Walleye Liver Tests | Year | Upstream Site (mg/kg) | Downstream Site (mg/kg) | Difference |
|---------------------|-------------------|-----------------------|-------------------------|------------|
| Copper | Average 1993-1997 | 18.4 | 19.8 | +1.4 |
| Copper | Average 1998-2011 | 19.2 | 27.2 | +8.0 |
| Iron | Average 1993-1997 | 70.6 | 106.2 | +35.6 |
| Iron | Average 1998-2011 | 89 | 115 | +26 |
| Zinc | Average 1993-1997 | 21.6 | 22 | +0.4 |
| Zinc | Average 1998-2011 | 21.9 | 23.8 | +1.9 |

What has the Flambeau Mine taught us about predictive modeling?

A mining company and its consultants can develop outcome orientated predictions during the permitting stage to “predict” minimal impacts. In fact it is in the mining company’s interest to have lower predictive modeling. As we see first hand from hard data, Foth was drastically off in their predicted levels at the Flambeau Mine. Below are the numbers on file with the Wisconsin Department of Natural Resources from the Flambeau Mine. What assurances does the public have that Back 40 predicted impacts are valid or are we being asked to blindly place our trust in Aquila and their consultants?

| Contaminant | Flambeau baseline | Foth Prediction on levels | Foth Prediction on duration | Max levels reported to date by Flambeau Mining Company |
|-------------|-------------------|--------------------------------------|---------------------------------------------|--------------------------------------------------------|
| Copper | 11 mcg/l | 14 mcg/l | >4,000 years | 810 mcg/l (58 X higher than Foth predicted) |
| Iron | 50 mcg/l | 320 mcg/l | >4,000 years | 15,000 mcg/l (47 x higher than Foth predicted) |
| Manganese | 230 mcg/l | 550 mcg/l | 3,920 years | 42,000 mcg/l (76 x higher than Foth predicted) |
| Sulfate | 5 mcg/l | 1,360 mg/l 1,100 mg/l 832 mg/l | 0-8 years 8-132 years 132-2,850 years | 2,400 mg/l (2 x higher than Foth predicted) |



Following heavy rains the Flambeau River came within 20 horizontal and 4 vertical feet of spilling into the Flambeau mine pit. (Photo Bob Olsgard of Saron WI, 9.17.94)



Rendering of the proposed Back 40 Mine Pit which would exist 50 yards from the banks of the Menominee River



The White Rapids dam is located 1/4 of a mile upriver from the proposed Back 40 mine site. The 90 year old dam (1927) has an average water flow of 3,000 cubic feet per second.

Restoring the Menominee River Area of Concern

The Menominee River was designated as a Great Lakes Area of Concern (AOC) under the 1987 Great Lakes Water Quality Agreement. Significant public/private funding and resources have went into the clean up effort including from the City of Marinette, Wisconsin, City of Menominee, Michigan, WI Dept. of Natural Resources, MI Dept. of Environmental Quality, Tyco, University of Wisconsin Extension, US Army Corps and US EPA. Five of the original six environmental impairments remain. The US EPA monitors and evaluates the environmental conditions in the AOC to determine when the area is restored and can be delisted from an AOC. As the area moves towards delisting, why approve new threats?

Restoring the Lake Sturgeon Habitat

Lake Sturgeon are identified as a threatened species in Michigan, a species of special concern in Wisconsin and a federal species of concern by the US Fish and Wildlife Service. Fish biologists believe close to half of all adult Lake Michigan Sturgeon exclusively use the Menominee River for spawning. Habitat loss and fragmentation caused by the presence of dams, have resulted in artificial barriers to migration and spawning. Millions of Wisconsin, Michigan, Federal and private dollars have went into efforts to restore Lake Sturgeon habitat including sophisticated fish passages, which address the artificial barriers.

Protect Menominee River Fishing

Citizens, fishing clubs, river guide companies and area businesses are concerned about the health of the river and the world class fishery it supports. The Menominee River is considered a world class smallmouth bass fishery and the fishing industry, reliant on a healthy Menominee River, supports a great deal of jobs and local economic activity. This year the Menominee River will host Cabela's National Walleye Tour Championship August 16-18, 2017.



How Can You Get Involved?

Visit www.noback40.org/HowToHelp.aspx to learn more about our efforts and how to:

- Raise public awareness
- Join ongoing efforts
- Engage with political leaders
- Engage with the investors
- Donate to Menominee efforts



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