The Rock Creek Project

Q & A

Q: What is the Rock Creek Project?

A: The Rock Creek Project, located in Sanders County, Montana will utilize the most environmentally benign form of mining in existence today to recover silver and copper ore.

Because the actual mine operations will take place an average of 1,000 feet underground, hikers and wildlife on the surface won't even know the mine is there. Rock Creek will be an underground room and pillar mine with conventional milling to process the ore. The milling process incorporates crushing, grinding and flotation (using organic, biodegradable additives) to separate the copper and silver minerals from the quartzite rock. In addition, the Rock Creek Project will incorporate 79 modifications, mitigations, and monitoring requirements to ensure that the environment is protected.

Rock Creek is expected to produce 114 million ounces of silver and 935 million pounds of copper over the 25 year life of the mine.

Q: Who will manage Rock Creek?

A: The Project will be managed by Doug Miller, a native Montanan with 25 years of operating and management experience in the mining industry. Doug currently manages Revett's award-winning mine in Troy, Montana, which is the model for the Rock Creek Project. Doug holds a Bachelor's degree in mining engineering from the Montana College of Mineral Science and Technology in Butte.

Q: How will Rock Creek protect water quality?

A: First, it is important to know that virtually all of the water that will be collected at Rock Creek is ground water that has flowed into the mine. Only a small portion of this water will be used in the milling process as water will be reclaimed from the tailing facility and recycled. Nevertheless, all the water at Rock Creek – whether natural ground water, processing water, or precipitation – will be captured and treated in a dual water treatment system to ensure it meets or exceeds Montana State water quality standards.

In addition, we will protect water quality by ensuring that the tailings created by the mining process – which are actually just beach sand – remain within the designated storage area. The sand will be de-watered to form a paste to ensure its stability until the conclusion of the Rock Creek Project, when it will be covered and landscaped to mirror the surrounding habitat.

REVETT MINERALS

Q: HOW WILL ROCK CREEK PROTECT THE GRIZZLY BEARS IN THE AREA?

A: Because the Rock Creek Project will be deep underground, people and animals on the surface will be unaware of its presence. Nevertheless, the Rock Creek Project is investing millions of dollars to protect grizzly bears and their habitat.

- The Project will not disturb the adjacent 94,000 acres of wilderness, and will only minimally disturb 482 acres outside the wilderness boundary (transportation corridor - 65 acres, tailings area – 368 acres, mill facilities – 31 acres and Evaluation Adit – 8 Acres). In fact, the tailing area, which is the majority of the disturbed acreage, is outside of the area determined to be useful for grizzly bear habitat.
- To mitigate any possible disturbance, the Rock Creek Project will purchase an additional 2,450 acres that will become permanent habitat for the bears and other wildlife.
- Rock Creek will fund the closure of more than five miles of roads currently located in bear habitat.
- Rock Creek will fund the salaries of a grizzly bear management specialist and a law enforcement officer for the Montana Department of Fish, Wildlife & Parks for approximately 35 years to monitor the local bear population, and educate people about living with bears, through all phases of the Project including reclamation and monitoring.
- The current bear population will be augmented at Rock Creek's expense if so determined in the final Biological Opinion.
- Our employees will undergo mandatory bear awareness training and a transportation plan, including busing employees to the site, will be implemented to minimize traffic and human/bear interaction.

Our total commitment to protect the grizzly bear and its habitat approximates
$1 million for each bear believed to be currently living in the south Cabinet Mountains.

Q: HOW DOES ROCK CREEK BENEFIT MONTANA AND NORTHERN IDAHO?

A: Over its 25-year life, the Rock Creek Project will add more than $938 million to the local and state economy. The Project will produce $38 million a year in direct and indirect benefits.

- It will directly employ 300 people at an average salary of $45,000 a year plus benefits.
- It will produce $2.5 million a year in local tax revenue to support schools and other vital public services.
- It will add $10 million a year to the community through local purchases of equipment and supplies for the Project.
- In addition, it is estimated that, for each dollar of direct benefit created by the project, an additional $2.5 dollars will be created in the local and State economies.

REVETT MINERALS

Q: How will you protect the ground beneath wilderness lakes?

A: First, the actual mining operations will be deep underground, at a depth of 450 feet to 1,450 feet, averaging 1,000 feet. Secondly, buffer zones will keep operations at a minimum of 450 feet below the surface and at least 1,000 feet away from Cliff Lake, which is the only lake listed as a concern in the Environmental Impact Statement ("EIS"). And finally, the type of mining at Rock Creek helps ensure the highest degree of safety and environmental protection. It's called 'room and pillar' mining, because that's exactly what it is. We create and work in large rooms, buttressed by massive support pillars of original rock that has been left in place. The rooms resemble an office building lobby – large and open, yet supported by weight-bearing pillars.

Q: How will the ore produced at Rock Creek be used?

A: The vast majority of silver and copper ore produced today is used in industrial, electronics, and medical products that are critical to the lives and livelihoods of all Americans.

Silver

In today's high-tech world, silver is primarily an industrial metal. In fact, more than 62 percent of silver ore is used in computers, appliances, telephones, air and water purifiers, photography, medical devices, and solar energy cells. Only 31 percent is used in jewelry and 4 percent is used in coins and metals.

Copper

The majority (49%) of copper produced today is used in construction. For example, a typical new home in the United States contains at least 16 pounds of copper, with some homes containing as much as 400 pounds. Copper is used in virtually every type of electrical or battery powered appliance or engine. In fact, 40 percent of copper is used in everything from aerospace to x-rays, including industrial machinery, consumer electronics, computers, and telephones. The remaining 11 percent is used in planes, trains, cars, and ships.

Q: What happens when the mine closes?

A: When the Project is completed, the site will be restored to its natural state, and we will ensure that the environment is protected by implementing long term monitoring of air, water, and biological resources for as long as is necessary. The financial assurance for site restoration must be in place before construction of the mine can commence.

The money to restore the landscape will be set aside in a trust account before work begins. The trust account will be funded in increments at each stage of the Project. The entire restoration fund is estimated to total between $44 million to $74 million, depending on the results of studies currently underway. The required amount will be determined by the Montana Department of Environmental Quality.