

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 20, 2018

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Thompson, Representatives Hartgen, Vander Woude, Anderson, Anderst, Mendive, Chaney, Nate, Cheatham, Horman, Malek (Patano), Moon, Scott, Ehardt, Smith, Rubel

**ABSENT/
EXCUSED:** Representative(s) Hartgen, Vander Woude, Anderst, Chaney

GUESTS: Abigail Talboy, Idaho Conservation League; Conner Jackson, Conservation Voters of Idaho.

Chairman Raybould called the meeting to order at 1:34 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of February 12, 2018. **Motion carried by voice vote.**

Chairman Raybould introduced the new Page, **Sydney Allen**, and welcomed **Sandy Patano** as **Rep. Malek's** substitute.

Lisa Raye Anderson, Vice President of Government Relations, American CuMo Mining Company of Canada, stated they are the parent company of Idaho CuMo Mining Corporation (ICMC) who are advancing the CuMo Project and the Calida Gold Project in Idaho. ICMC is in the eleventh year of exploring resources for development of mining the world's largest deposit of molybdenum (molly) located 35 miles from Boise in Boise County. The CuMo Project also contains easily recoverable copper and enough silver to be one of the top 25 silver deposits in the world. Molly increases the strength and resistance in stainless steel and is used in bridge and building construction, pipelines, ships, rockets and aircraft, and a combination of molly and graphene/graphite in batteries generates power storage and transmission. While the United States has some of the most prolific molly resources, China retains control of 56 percent of the world's molly compared to the United States' 18% control. ICMC's leading lobbying effort is to have molly added to the 2018 Critical Mineral list mandated by **President Trump's** Executive Order and to streamline the permitting process. The Calida Gold Project located 24 miles south of Salmon, Idaho is newly acquired and holds significant gold, silver and copper that has been extensively explored over the last 30 years. Ms. Anderson reviewed the exploration history of the project property and the mining claims. ICMC 's significant activity would be located underground should exploration result in development of the mine.

In response to committee questions, **Ms. Anderson** said ICMC is currently exploring the deposit of molly for mining, and if it is determined it is economically feasible to mine, it would be open pit mined, and they have taken core samples and sent to assay to determine the economic feasibility of mining the Calida Gold mine, which would be mostly underground mined. In response to committee questions concerning the economic status of ICMC and the two Idaho projects, Ms. Anderson responded that ICMC and its parent company do not currently mine, they do not have a mine for sale and they are constantly fund raising the hundreds of millions needed to develop a mine and operations. She further replied that the lengthy permitting process and continued lawsuits from non-profit organizations negatively impact the timing and finances of the operation. Ms. Anderson acknowledged that

The Calida Gold Project economic impact projections of \$9 billion were significantly larger than the Idaho CuMo Mine molly projections of \$60 million.

Ms. Anderson introduced **Phil Bandy**, Executive Vice-President of Operations, ICMC, to respond to committee questions regarding cost and profit sharing between ICMC and the parent Canadian company by saying the Environmental Protection Act requires they put up reclamation bonds with the federal and state government which are reviewed every year to ensure fund availability for the purpose of the government being able to hire a third party to come in and clean up the project. The main economic benefit an ICMC mine would bring to local communities would be hiring local individuals and contributing to community infrastructure.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:15 p.m.

Representative Raybould
Chair

Lorrie Byerly
Secretary