

Up North Jobs Inc.
40 N 1st Avenue E
Ely, MN 55731

February 21, 2022

Sarah Strommen
Commissioner
Minnesota Department of Natural Resources
500 Lafayette Rd
Saint Paul, MN 55155

Dear Commissioner Strommen:

I write to you as the Chairman and CEO of two Ely based 501 (c) (3) nonprofits, Up North Jobs and the Ely Area Development Association. We have actively promoted economic development and job growth in northeastern Minnesota for the past 10 years. We all serve as unpaid volunteers.

We, and many, many pro-mining organizations, governmental entities and stakeholders are profoundly disappointed and distressed over the actions of the U. S. Forest Service and Bureau of Land Management who recently canceled two mineral leases held by Twin Metals Minnesota (TMM).

Your letter of February 15, 2022 to Kelly Osborne, Twin Metals Minnesota's CEO, advises that the DNR "has directed its staff to stop work on the environmental review for the proposed Twin Metals project". Your letter indicates that the decision by the DNR to stop work on the environmental review was reached in collaboration with TMM. And, given the fact that TMM will probably be compelled to seek relief in court to overturn the arbitrary, capricious and politically motivated decision by the Biden Administration to kill TMM's proposed copper-nickel mine, we believe we understand why TMM wants to end or pause the income contract for the DNR's work on the environmental review.

Still, we wish to call your attention to your "concerns about the proposed location for the tailings disposal facility". You wrote,

"In addition to the DNR's regulatory role, DNR serves as the manager of state lands and state owned minerals. In this capacity, the DNR has a responsibility to make

decisions about the use of these lands and minerals that are in the best interest of the State and any mineral beneficiaries. Based on information available to date, the DNR has determined that Twin Metals' currently proposed location for its tailings facility would potentially encumber School Trust mineral resources. Furthermore, the DNR believes this use would pose an unacceptable financial risk to the State and potentially to the School Trust Fund. The DNR has notified the Office of School Trust lands of our concerns with the proposed tailings facility location".

We understand your concern and concur with your statement that the DNR has a responsibility to make decisions about the use of these lands and minerals that are in the best interest of the State and any minerals beneficiaries. **Yet, we are puzzled by your concern that the use of TMM's tailing facility on Public School Trust land "would pose an unacceptable financial risk to the State and potentially to the School Trust Fund".**

Please consider these facts. TMM's proposed dry stack tailings facility would be situated on less than one section, i.e., on less than 640 acres of Public School Trust lands. The proposed federal withdrawal area consists of 234,328 acres. Within the federal withdrawal application area, there are approximately 86,000 acres of Public School Trust lands. (publicly available GIS Data).

If in fact, one entire section (640) were used by TMM as a dry stack tailings facility, that is only about .7 of 1% of the School Trust lands (86,000 acres) contained in the proposed Federal withdrawal area. And, TMM has not suggested that the School Trust Fund would not be compensated for the use of 640 acres of School Trust lands.

We don't understand why and perhaps the DNR can explain how this would pose an unacceptable risk to the State and potentially to the School Trust Fund.

Lastly, we suggest that your concerns regarding financial risk to the State and to the School Trust Fund regarding Minnesota Permanent School Trust lands should be directed to the U. S. Forest Service and Bureau of Land Management.

Sincerely,

Gerald M. Tyler

Gerald M. Tyler