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Contact:

Katherine O'Brien, Earthjustice (406) 586-9699

**Montana DEQ Announces that Hecla Mining Company, CEO Phillips Baker in Violation of Montana's "Bad Actor" Laws**

*DEQ Issues Violation Letters to Rock Creek and Montanore Mine Developers in Response to Conservation Coalition's Enforcement Request*

HELENA, Mont.—In response to an enforcement request from a coalition of conservation groups, the Montana Department of Environmental Quality ("DEQ") today issued violation letters to Hecla Mining Company and its President and CEO, Phillips S. Baker, Jr., advising them that they are in violation of Montana's "bad actor" mining laws. The bad actor provisions prohibit mining executives whose former companies failed to complete required mine reclamation from undertaking new mining projects in the state.

The violation letters issued by DEQ require Hecla and Mr. Baker to take corrective action within 30 days or be subject to enforcement measures in connection with their planned development of the Rock Creek and Montanore Mines in Montana's Cabinet Mountains. DEQ took action in response to an October 2017 enforcement request submitted by the non-profit environmental law firm Earthjustice on behalf of Montana Environmental Information Center, Earthworks, the Clark Fork Coalition, Rock Creek Alliance, and Save Our Cabinets.

"Today's decision establishes that Hecla and Phillips Baker cannot charge ahead with damaging mining proposals in Montana's Cabinet Mountains unless and until they deal with the toxic legacy Baker's former company, Pegasus Gold, left behind," said Earthjustice attorney Katherine O'Brien. "This is just what Montana's 'bad actor' laws are intended to do—protect our State's land, water, and communities from mining companies that abuse the privilege of operating in Montana."

Hecla Mining President and CEO Phillips S. Baker, Jr. served as a top official for Pegasus Gold when it declared bankruptcy in 1998, leaving behind a toxic mess at the company's Zortman-Landusky, Beal Mountain, and Basin Creek gold mines. When Pegasus Gold defaulted on its reclamation obligations, the State of Montana and federal agencies were forced to take over responsibility for tens of millions of dollars in unpaid reclamation costs. As of January 2017, public agencies had spent more than \$74 million for water treatment at Zortman-Landusky alone, where acid mine drainage from Pegasus Gold's operations has despoiled the land, water, and sacred sites of the Fort Belknap Gros Ventre and Assiniboine Tribes, whose reservation borders the mine site.

As the public continued spending millions of dollars each year to address pollution at the Pegasus Gold mines, Phillips Baker returned to Montana at the helm of a new corporation, Coeur D'Alene-based Hecla Mining Company, with plans to develop the Rock Creek and Montanore Mines, two massive copper/silver mines proposed beneath the Cabinet Mountains Wilderness in northwest Montana. Those projects threaten to permanently damage aboriginal lands of the

Kootenai people, which also provide irreplaceable habitat for threatened grizzly bears and bull trout and boast some of the purest waters in the lower-48 states. DEQ had issued an exploration license for the Rock Creek Mine and an operating permit for the Montanore Mine before the coalition alerted the agency that Baker and his new company were disqualified from mining under the “bad actor” provisions of the Metal Mine Reclamation Act unless and until they repaid the state, with interest, for publicly-funded reclamation carried out at the Pegasus Gold mines and remediated ongoing pollution problems there.

DEQ’s violation letters advise Hecla and Baker that they may seek to comply with the bad actor laws by repaying the State of Montana in full for expenses incurred to carry out reclamation at the abandoned Pegasus Mines or demonstrate that Phillips Baker and any entity under his direction and control will not conduct mining or exploration activities in Montana.