

# Precious Metals, precious wilderness

By: **John Myers**, Duluth News Tribune



Steve Koschak, owner of River Point Resort, walks through an area in the Superior National Forest that was recently drilled in the Duluth Metals exploration area. The red pipes are capped-off drill holes where core samples were obtained. Koschak said he believes mining the sulfide-based metals is too much of a risk to the clean water of the Kawishiwi River and the BWCAW. (Clint Austin / [caustin@duluthnews.com](mailto:caustin@duluthnews.com))

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## Another impact study might be in future of PolyMet project

The Minnesota Department of Natural Resources and the U.S. Army Corps of Engineers may bow to pressure from federal pollution regulators to take another run at the environmental impact statement for the PolyMet copper mine project.

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The Minnesota Department of Natural Resources and the U.S. Army Corps of Engineers may bow to pressure from federal pollution regulators to take another run at the environmental impact statement for the PolyMet copper mine project.

The Environmental Protection Agency in February blasted the report, saying it didn't consider the issue of setting aside money for cleanup after the mine closes, and that the study didn't adequately address water quality threats, endangered species and wetland destruction.

Since the EPA comments were filed, state and federal agencies and the company have been deciding how to proceed.

The U.S. Forest Service also has joined discussions related to its proposed land exchange for the PolyMet mine site, now part of the Superior National Forest.

“One of the options under consideration includes the release of a supplemental draft EIS for public comment,” Stuart Arkley, project coordinator for the DNR, told the News Tribune. “The agencies have given serious thought to a number of options but have not yet made a final decision. Such a decision would be a joint decision between the DNR, the U.S. Army Corps of Engineers and the U.S. Forest Service. We have been in regular communications with these agencies.”

LaTish Geitzen, spokeswoman for PolyMet, said that “the state and federal agencies have been working hard to determine the best path forward to advance the process.”

More work might be done to better calculate the likely impacts of a PolyMet mine and processing plant, Arkley said.

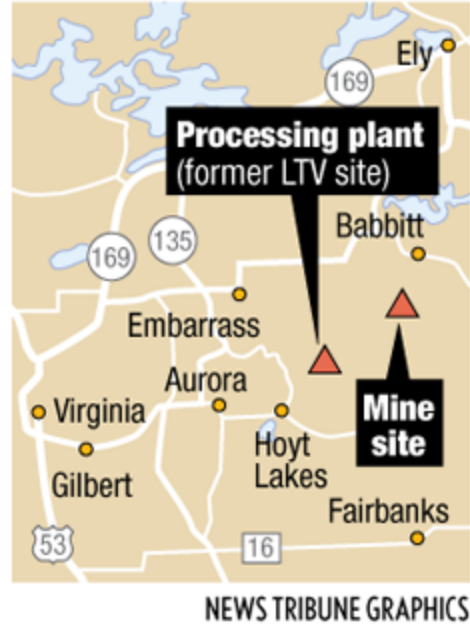
The \$600 million PolyMet project would create 400 or more jobs for about 20 years and has been praised by Iron Range leaders as a critical step toward diversifying the region’s dependence on iron-ore mining.

But the EPA in February rated the environmental review “environmentally unsatisfactory-inadequate” and threatened that, if the EIS was not upgraded, the agency would oppose the project and move it to the president’s Council on Environmental Quality.

“Our review has identified adverse environmental impacts that are of sufficient magnitude that EPA believes the (PolyMet project) must not proceed as proposed,” EPA acting regional administrator Bharat Mathur wrote to the U.S. Army Corps of Engineers.

## **PolyMet copper mine site**

# PolyMet



The proposed PolyMet copper mine near Hoyt Lakes, Minn. (News Tribune graphics)

## Core Sample



David Oliver, project manager for Duluth Metals, holds a core sample showing a polymetallic deposit from an exploration area east of the Kawishiwi River. (Clint Austin / caustin@duluthnews.com)

[DULUTH NEWS TRIBUNE](#)

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## Estimated \$1 trillion in the ground, but mining critics are concerned about BWCAW

What Duluth Metals has found is nothing short of earth-shattering for geologists — an estimated 900 million tons of copper, nickel, platinum and other valuable metals that are among the richest yet found in Minnesota.

By: [John Myers](#), Duluth News Tribune

ALONG THE SOUTH KAWISHIWI RIVER — Just outside the Boundary Waters Canoe Area Wilderness, deep below the lakes and streams that have defined this area's value for centuries, lies a fortune to be made.

Everyone involved in Minnesota's copper mining controversy agrees there's an incredibly rich deposit of nickel, platinum, palladium, copper and other high-demand minerals under this rugged land.

"The Duluth Complex is perhaps the world's largest untapped resource of (copper, nickel and platinum group metals) with multibillion tons of geologic resources estimated to be worth more than \$1 trillion," stated a 2007 report by geologists at the Natural Resources Research Institute of the University of Minnesota Duluth.

Findings reported in recent months by Duluth Metals, a small Ely-based exploratory mining company searching for copper-nickel deposits along Minnesota Highway 1, indicate even the \$1 trillion number may be too small.

What Duluth Metals has found is nothing short of earth-shattering for geologists — an estimated 900 million tons of copper, nickel, platinum and other valuable metals that are among the richest yet found in Minnesota.

"This is an exploratory success story that comes around once every couple of decades," said David Oliver, geologist and project manager of Duluth Metals. "I've been doing this for 35 years, and I've had a lot of success... but nothing like this before."

The finding, just a couple of miles outside the Boundary Waters Canoe Area Wilderness, may be three times bigger and twice as rich as the better known PolyMet project proposed about 30 miles to the southwest.

The debate starts when the value of those minerals, and the possibility of long-term water contamination from acidic mine runoff, is weighed against unspoiled wilderness, recreation and clean water. From ancient peoples to voyageurs to BWCAW campers, it's always been the water that has been most important here.

“What’s the value of all this clean water and wilderness?” asked Deborah Huskins, a cabin owner on the Kawishiwi. “I don’t think anyone has ever done a study on that. Maybe it’s more than the copper for a lot of people.”

Based on test drilling conducted in the 1960s, Duluth Metals secured mineral rights to about 3,000 acres of federal, state and private land along Minnesota Highway 1 near the Kawishiwi. Since 2006 it has drilled more than 170 holes below the forest and found copper in almost all of them — at an average of 3,500 feet below the surface.

But what has pushed Duluth Metals into the Minnesota mining forefront is a Chilean mining conglomerate traded on the London Stock Exchange.

Antofagasta PLC last winter announced it would pump \$130 million into Duluth Metals to pay for engineering studies on how and where the mine will be built. The company has promised up to \$227 million as the project moves into environmental review, likely within a couple of years, Oliver said.

Oliver said the deal with Antofagasta will be complete later this summer. In exchange, the foreign company will get between 40 percent and 65 percent control of Duluth Metals. The mine almost certainly will be underground, Oliver said, and could employ more than 400 people for decades.

Too close for comfort?

The location and now apparent faster-track of Duluth Metals has some local residents and environmental groups concerned.

“With what they have found, and now that they have the infusion of capital, Duluth Metals could very well move ahead of even PolyMet in the race to mine copper in Minnesota,” said Betsy Daub, policy director of the Friends of the Boundary Waters group.

Whenever copper-bearing rock is exposed to air and water, there’s a chance for sulfuric acid runoff that can leach toxic metals into waterways. That’s happened at hundreds of copper mines worldwide over the centuries.

Mine supporters say the unusually low sulfur levels of the local Duluth Complex rock, along with local mining company’s commitment to protecting the environment, will make copper mining different here than where waterways have been ruined. They also say Minnesota laws won’t allow them to pollute.

But skeptics of mining company promises say that there’s no room for error with mining on the edge of the most popular wilderness area in the country.

Kawishiwi, mining opponents note, is Ojibwe for endless waters. While the PolyMet project is in the Lake Superior watershed, Duluth Metals is in the BWCAW watershed that flows north to Hudson Bay.

“The Boundary Waters is like one giant river flowing in and out of little lakes, that will flow right past all this (Duluth Metals) mining activity and then right back into the Boundary Waters,” said canoe guide Jason Zabokrtsky of Ely. “Anything that happens here will spread.”

Along a recent canoe trip sponsored by critics of copper mining, other wilderness supporters explained their concerns.

“No one is suggesting that these companies would pollute the water on purpose. But after BP and the coal mine disasters this year, it’s pretty clear that things happen that no one plans for and that they can’t stop.” said Tyler Fish of Ely, youth program coordinator at the Outward Bond Camp on the Kawishiwi River. “People come here because it’s a place apart. How can it be a place apart with a mine across the road?”

Oliver said the concerns are unfounded, and he expects Duluth Metals and other copper projects to restore the area’s mining industry to prominence without contaminating any water.

“Ely is a mining town, and this is going to restore that proud history,” said Oliver, a St. Paul native and University of Minnesota graduate who said he “bleeds maroon and gold.” “There is an intent and desire by people in this industry to do it right here.”

## **OLDER THAN DIRT**

According to Duluth Metals geologist David Oliver, the copper, nickel and other valuable minerals in the Duluth Complex in Northeastern Minnesota are trapped in rock 1.1 billion years old, up to a mile below the surface in some areas, that’s up against rock 2.69 billion years old.

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