



Valuing Community Engagement

A Review of Stillwater's Benbow Project

Mine Design, Operations, and
Closure Conference
May 3, 2016



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Forward-Looking Statements



SOME STATEMENTS CONTAINED IN THIS PRESENTATION ARE FORWARD-LOOKING WITHIN THE MEANING OF SECTION 27A OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND, THEREFORE, INVOLVE UNCERTAINTIES OR RISKS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM MANAGEMENT'S EXPECTATIONS. ADDITIONAL INFORMATION REGARDING FACTORS WHICH COULD CAUSE RESULTS TO DIFFER MATERIALLY IS FOUND IN THE SECTION ENTITLED "RISK FACTORS" IN THE COMPANY'S ANNUAL REPORT ON FORM 10-K AND IN SUBSEQUENT FILINGS WITH THE SEC. THE COMPANY INTENDS THAT THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN BE SUBJECT TO THE ABOVE-MENTIONED STATUTORY SAFE HARBORS. INVESTORS ARE CAUTIONED NOT TO PUT UNDUE RELIANCE ON FORWARD-LOOKING STATEMENTS. THE COMPANY DISCLAIMS ANY OBLIGATION TO UPDATE FORWARD-LOOKING STATEMENTS.





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This is Stillwater

- ❑ Palladium - Platinum Producer
- ❑ Underground Mines – Stillwater and East Boulder
- ❑ Precious Metals Smelter
- ❑ Base Metals Refinery
- ❑ Analytical Laboratory
- ❑ Employee 1400 persons
- ❑ Produce 1,000,000 oz/year
 - 500,000 oz from mines
 - 500,000 oz from recycle





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South-Central Montana





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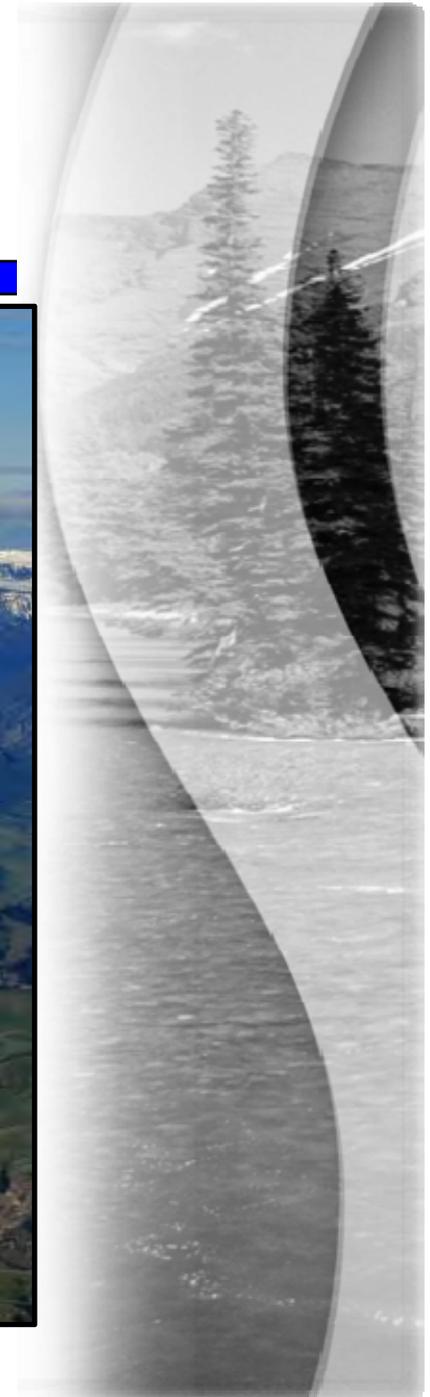
JM Reef





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Stillwater Mine





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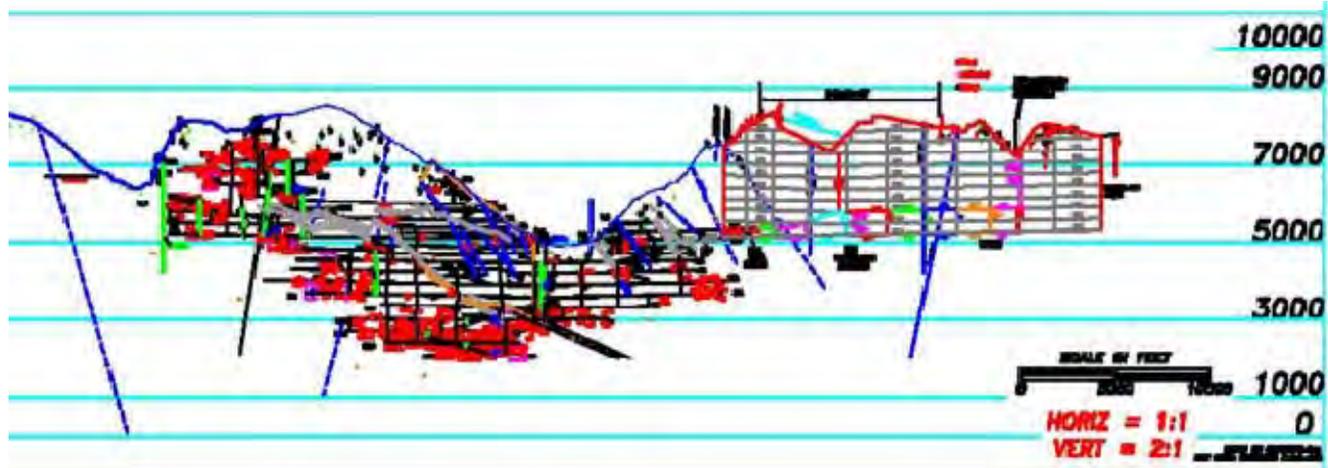
Stillwater Mine





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Blitz Project





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Benbow Portal Concept





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Benbow Portal Location





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Purpose

- ❑ Facilitate exploration of the Blitz Project Area
- ❑ Concept – drive a 6,000 ft. exploration portal to access the eastern extent of the Blitz Project Area to evaluate ore grade, ore continuity, and rock conditions.
- ❑ Long-term – ventilation exhaust; secondary escape-way; limited personnel/supply access
- ❑ Following Development – ore; waste-rock; water would be directed to 5000E Portal at the Stillwater Mine.





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Historic – Benbow Mine



Russel Lee, 1942

Ore from the mine,
September 1942
(LOC8d08889u)



Benbow Mine site 24ST221,
July 2011 (TJ #2782)

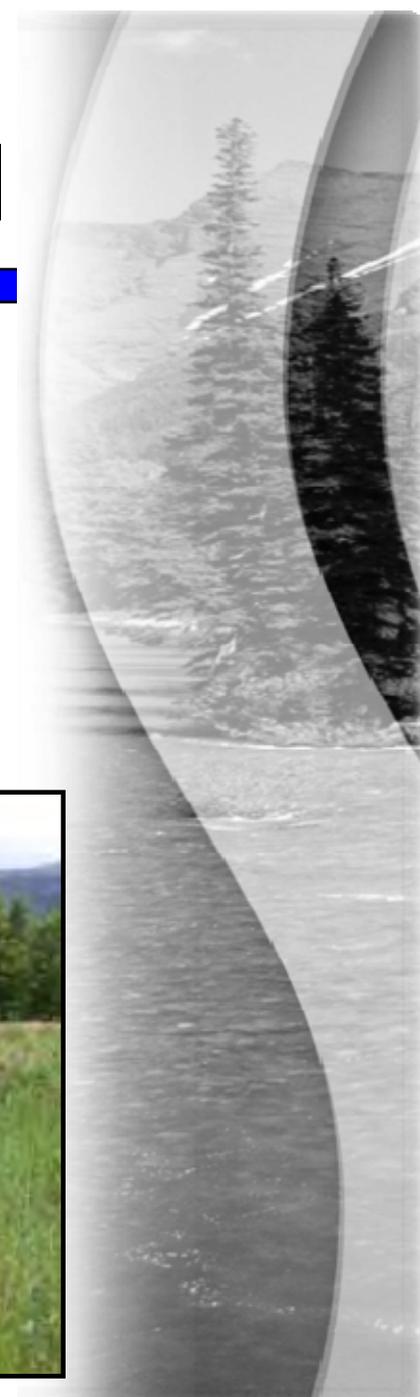
Tom Jerole, 2011





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Historic – Benbow Mill





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Good Neighbor Agreement

- ❑ Legally-Binding Agreement
 - Northern Plains Resource Council
 - Cottonwood Resource Council
 - Stillwater Protective Association
- ❑ Signed in 2000; Amended in 2005
- ❑ Communication Tool
- ❑ “Voice in the Process”
- ❑ Inspection – Monitoring Rights
- ❑ “Responsible Economic Development”
- ❑ Process for Arbitration





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“A Seat at the Table”

- ❑ Engagement from the very Start
 - ❑ “Pay me now or Pay me later”
 - ❑ Provides a Higher Level of Certainty
 - ❑ Less Risk
 - ❑ Cost Savings
-
- ❑ Must have an established Process in place
 - ❑ Centralized Group
 - ❑ Trust, Transparency, Patience
 - ❑ Willingness to be Adaptive





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Active Participants

- ❑ Forest Service – Custer-Gallatin
- ❑ Montana Department of Environmental Quality
- ❑ Northern Plains Resource Council
- ❑ Stillwater Protective Association
- ❑ Local Neighbors – non-affiliated
- ❑ Others:
 - Montana Department of Natural Resources & Conservation
 - EPA





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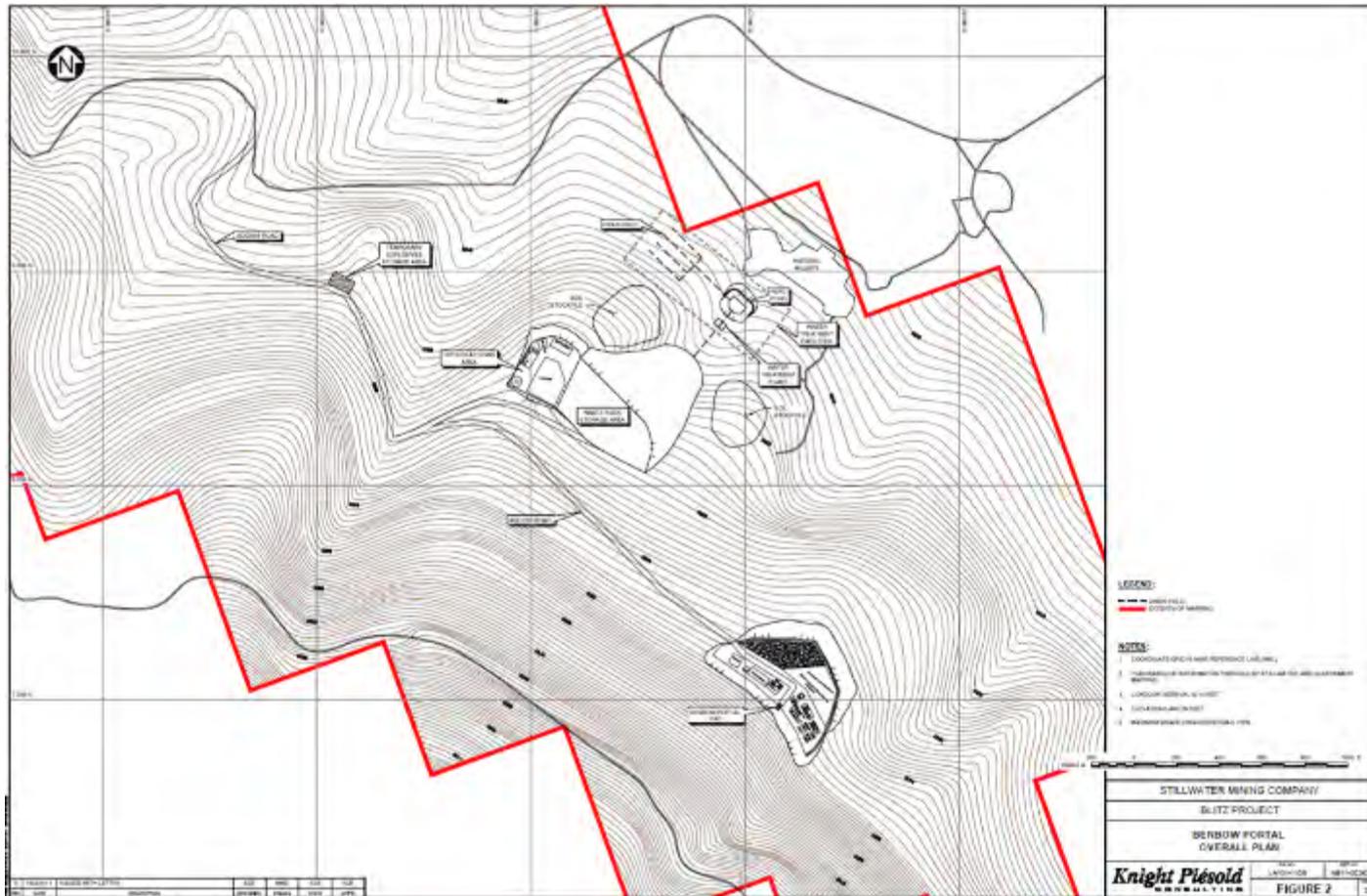
Pre-Design Efforts





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Conceptual Design





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Engagement

- ❑ Pre- Plan of Operations
- ❑ Stillwater Oversight Committee (GNA)
- ❑ Public Scoping Meeting
 - Hosted by SPA and SMC
- ❑ Distributed Informational Flyers
- ❑ Met with local community members
- ❑ Agency(s) Involvement
- ❑ What are the Issues/Concerns
- ❑ Address via Project Design & Plan
- ❑ Multi-year Process





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Concerns Identified

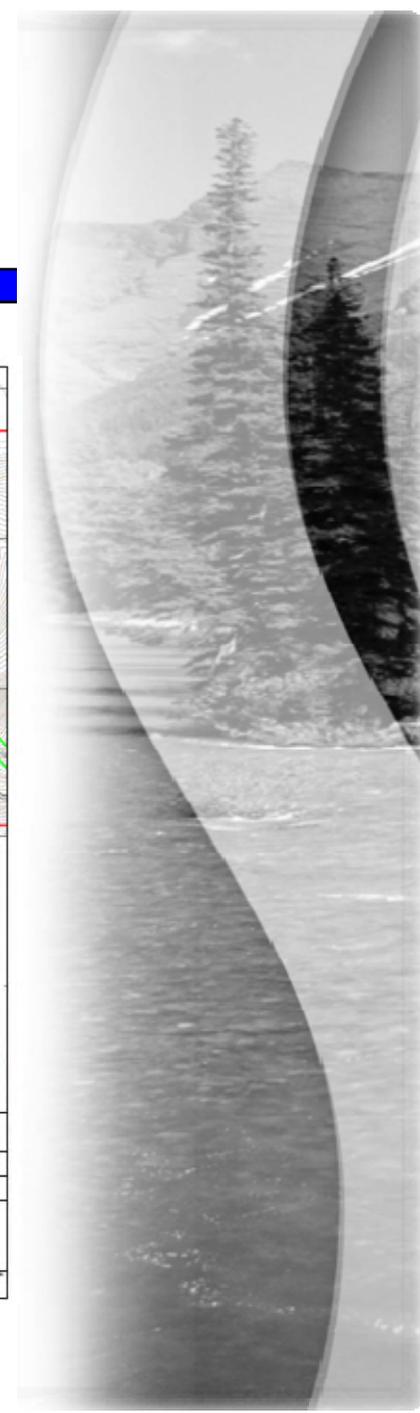
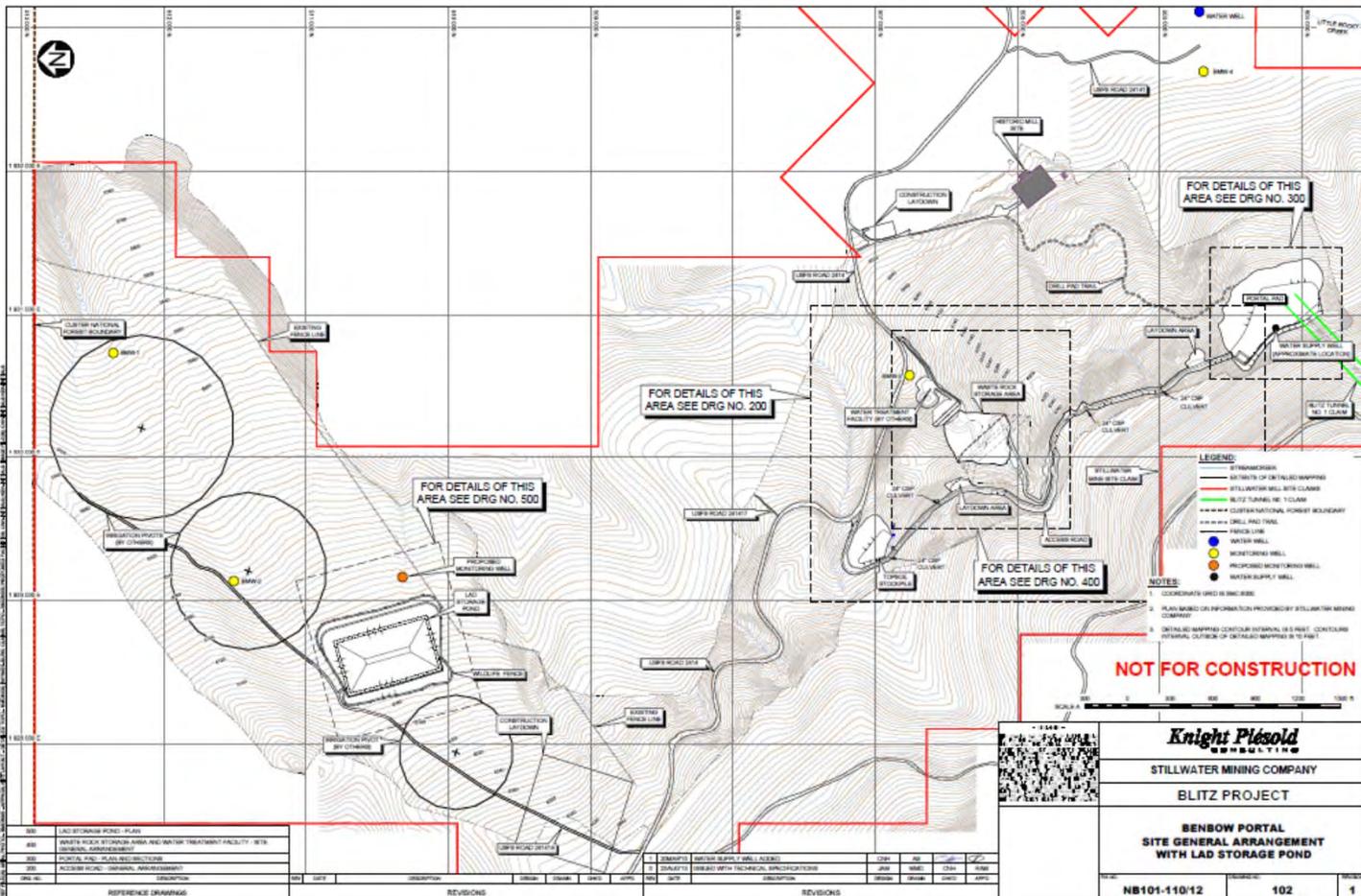
- Visibility
- Recreation
- Hunting Access
- Public Access
- Noise
- Lighting
- Traffic
- Wildlife
- Future Plans/Development





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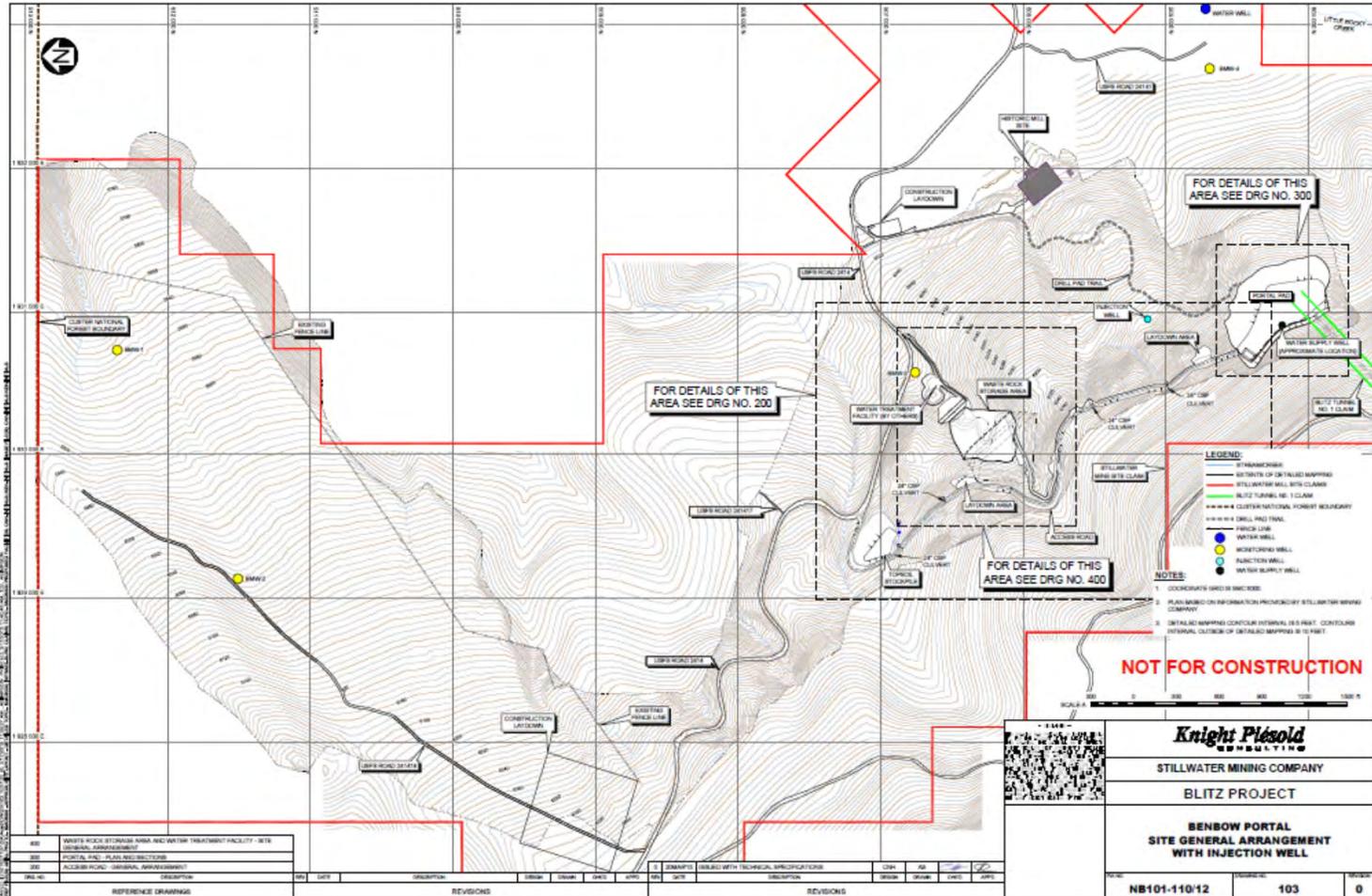
Revised Design #1





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Revised Design #2





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Benbow Mitigation Plan

- ❑ Commitment under the GNA
 - Legally Binding
 - Mutual Compromises
- ❑ Not addressed via the Plan/ROD
 - Agencies had no legal authority
- ❑ Long-Term Waste Rock and Tailings Storage (Benbow Area)
- ❑ Waste Rock Beneficial Use
- ❑ Water Replacement
- ❑ Travel/Traffic Limitations





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Agency Approval

- ❑ Project Concept – 2011
- ❑ Plan of Operations Submittal – late 2014
 - Design/Redesign/Dialogue
 - Baseline Characterization Activities
 - Baseline Water Quality/Quantity Monitoring
 - Air Quality Permitting
- ❑ Agency Scoping
- ❑ Environmental Assessment – < 1year
- ❑ Record of Decision – Spring 2015
- ❑ No Appeals; No Litigation





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Ongoing Process





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Benbow Build



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