Steve Bullock, Governor Tracy Stone-Manning, Director

P. O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • Website: www.deq.mt.gov

February 20, 2014

RE: Final EIS Released for Proposed Garnet Mine

Dear Sir/Madam

The Montana Department of Environmental Quality (DEQ) has completed the Final Environmental Impact Statement (EIS) for an application by Garnet USA to mine garnet ore at an open pit industrial mine at the Red Wash Hard Rock Site located in Madison County approximately 4.5 miles southeast of Alder, Montana. DEQ's final decision will be set forth in a record of decision to be released in early March.

You can review the entire Final EIS in the CD which is included as a part of this mailing, or on our website at <a href="http://deq.mt.gov/eis.mcpx">http://deq.mt.gov/eis.mcpx</a>. The Final EIS describes the land, people, and resources potentially affected by the proposed mining activities, and it incorporates responses to public comments and any updated information on the alternatives under consideration.

The DEQ analyzed three alternative proposals, including a No-Action Alternative. DEQ chose the "Agency-Mitigated Alternative" because it adds more groundwater and surface water monitoring to provide better information about current and future water quality conditions. This Alternative also provides for an altered route for ore haul trucks to reduce potential traffic conflicts.

As a part of the EIS, DEQ will also require Garnet USA to include more groundwater sampling points at the mine site and the Alder Gulch processing plant. The company will also be required to analyze for additional parameters including nitrates in surface and groundwater.

This will allow a comparison of future water quality compared to current conditions, identification of potential leakage from the two lined process ponds, and evaluate if nitrogen compounds are present near the Alder Gulch processing plant site.

Please don't hesitate to contact me at the information below.

Sincerely,

Jeffrey Frank Herrick

Montana Environmental Policy Act Coordinator

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