

October 5, 2021

Butte Blackjack Operating, LLC
c/o Mark Hartmann
PO Box 3522
Butte, MT 59701
Sent via e-mail to mark@blackjacksilver.com

Dear Mr. Hartmann,

On June 2, 2021, the Department of Environmental Quality (DEQ) received an application for an exploration license. The application was revised several times by Butte Blackjack Operating, LLC through electronic and verbal communications, with the latest application information submitted to DEQ on August 25, 2021. The project, as proposed, would be located in Butte and Walkerville, MT.

DEQ published a Draft Environmental Assessment (EA) for the project on July 19, 2021, analyzing, in detail, the possible environmental impacts of two alternatives: the No Action Alternative and the Applicant's Proposed Action Alternative. Comments on the Draft EA were accepted through September 1, 2021. DEQ received a total of 67 comments from 26 commenters during the public comment period on the Draft EA.

On October 4, 2021, DEQ issued a Final EA, responding to the substantive comments received and modifying or adding to the EA based on those comments. The decisions contained in this decision document are based on the analysis set forth in the Final EA.

DEQ's Decisions

DEQ has applied the significance criteria set forth in the Administrative Rules of Montana (ARM) 17.4.608 in determining the significance of impacts on the human environment. Applying those criteria, DEQ has determined that preparation of an EA is the appropriate level of review under the Montana Environmental Policy Act (MEPA). DEQ's application of the significance criteria is set forth in the Final EA.

DEQ has decided to approve Butte Blackjack Operating, LLC's application for an exploration license, selecting the Applicant's Proposed Action Alternative as set forth in the Final EA.

Pursuant to Section 82-4-332(3), Montana Code Annotated (MCA), Butte Blackjack Operating, LLC is required to file with DEQ a reclamation and revegetation bond in a form and amount as determined by DEQ in accordance with Section 82-4-338, MCA. DEQ is in the process of calculating the bond in accordance with Section 82-4-338, MCA, and is anticipating providing Butte Blackjack Operating, LLC with the required bond amount within 40 days of the date of this decision document. Butte Blackjack Operating, LLC is not authorized to conduct any

exploration activity, or to conduct any action in anticipation of conducting exploration activity (such as mobilization of equipment) that is subject to DEQ's approval, until Butte Blackjack Operating, LLC submits the required bond to DEQ and DEQ has notified Butte Blackjack Operating, LLC of its acceptance of the submitted bond.

Appeal of DEQ's Decisions

Legal actions seeking review of DEQ's approval of Butte Blackjack Operating, LLC's exploration license must be filed within 90 days after the date of this decision under Section 82-4-349(1), MCA. Any action or proceeding alleging a failure by DEQ to comply with MEPA, or inadequate compliance with a MEPA requirement, must be brought within 60 days after issuance of this decision pursuant to Section 75-1-201(5)(a)(ii), MCA.

Sincerely,



Dan Walsh
Chief, Mining Bureau
Air, Energy, and Mining Division
(406) 444-6791