BOARD OF COMMISSIONERS WORK SESSION MEETING

117 South Main Street, Monticello, Utah 84535. Commission Chambers
May 21, 2024 at 9:00 AM

AGENDA

The public will be able to view the meeting on San Juan County's Facebook live and Youtube channel

CALL TO ORDER

ROLL CALL

AGENDA ITEMS

1. Presentation for Lisbon Valley Mines Plan Expansion. Alysen Tarrant, Environmental Manager

2. Discussion Regarding the Board of County Commissioner Rules of Order and Policy

ADJOURNMENT

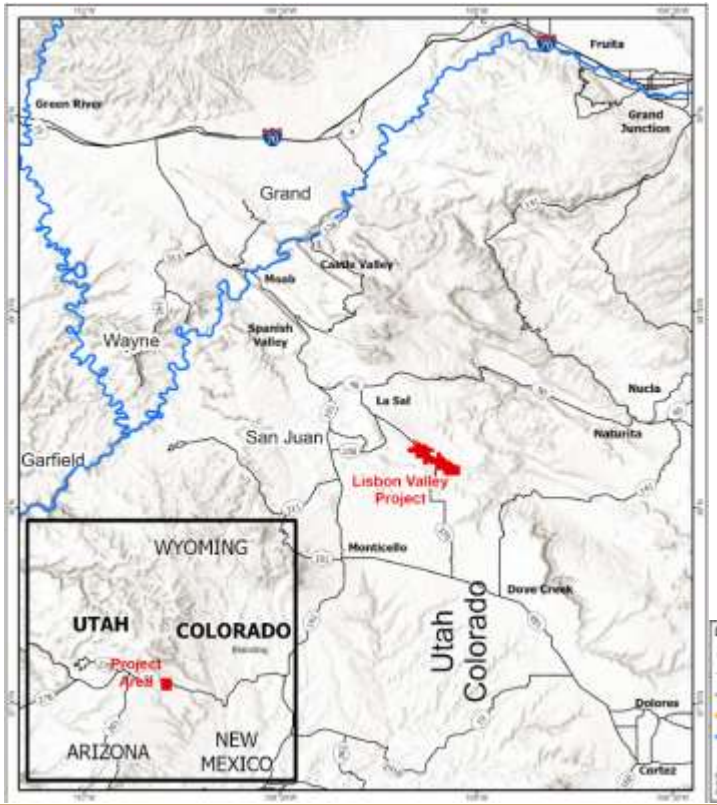
The Board of San Juan County Commissioners can call a closed meeting at any time during the Regular Session if necessary, for reasons permitted under UCA 52-4-205

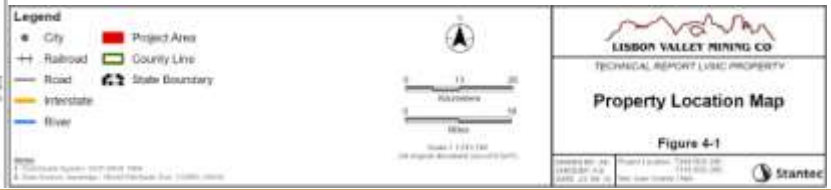
All agenda items shall be considered as having potential Commission action components and may be completed by an electronic method **In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the San Juan County Clerk's Office: 117 South Main, Monticello or telephone 435-587-3223, giving reasonable notice**

Plan of Operations for Major Modification in Lower Lisbon Valley

5.7.2024

Introduction





- Located in San Juan County, Utah
- 9,892 acres of land holdings comprised of private, public, and State lands
- Approx. 40 miles southeast of Moab, 9 miles south of the community of La Sal
- Access is along paved roads

Project History

LV COPPER CORP

Advancing new technologies for mineral extraction

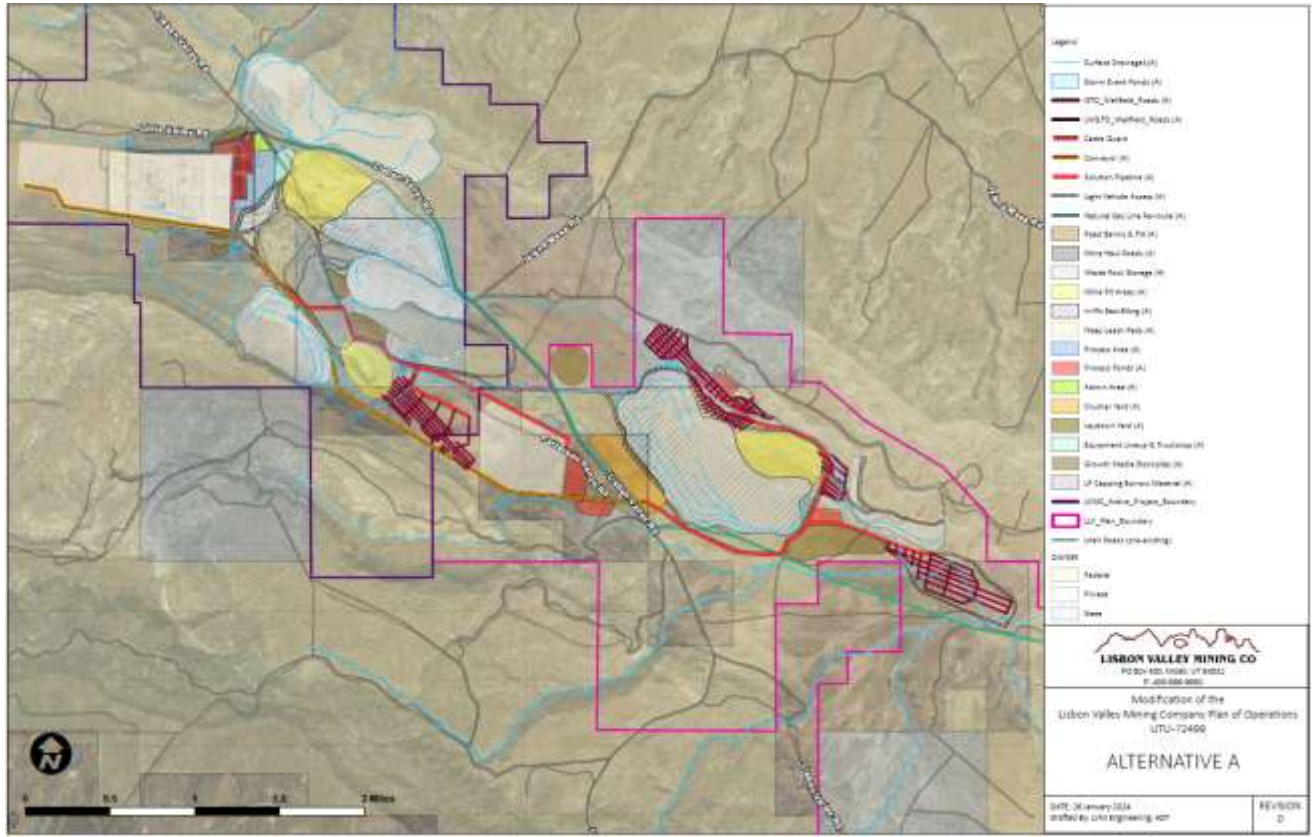
1960 – 2004 **Modern Exploration and Development**	▪ Copper initially discovered in Lisbon Valley at two properties: "Big Indian Mine" in 1890s and "Blackbird" in 1900s ▪ In 1960s, Cleveland Cliffs Copper completed first documented drilling ▪ Property lay dormant from 1974 – 1985, then was further evaluated from 1985 – 1996 by Noranda Exploration, Kelmine Corporation, MLP Associates and Kennecott Exploration ▪ Summo (renamed Constellation Copper Corp. in 2002) optioned the property in 1993 and submitted feasibility study in 1996
2004 – 2008 **Present Day Facility Established by Constellation Copper**	▪ Constellation Copper began project construction in 2004 and commenced mining operations in 2006 ▪ Constellation Copper invested ~$120mm
2009 – 2016 **Ownership Change**	▪ Constellation Copper Corp. filed for Canadian Receivership in 2008 ▪ LVCC's current CEO and CFO purchased LVCC through Plan of Reorganization under Chapter 11 Bankruptcy in 2009 ▪ LVCC invested $33mm as part of initial turnaround plan
2016 – 2020 **Completed Operational Turnaround**	▪ Mining curtailed due to soft copper market conditions; LVCC continued copper production from leach pad inventory ▪ LVCC utilized curtailment period to continue installation of forced aeration system in leach pad as part of completing operational turnaround ▪ LVCC performed exploration RC drilling that identified Lone Wolf copper deposit as key strategic growth opportunity ▪ Additionally, LVCC began research and development of its ISR strategy based on development of Lone Wolf deposit combined with favorable naturally occurring hydrologic and geologic conditions
2020 – 2021 **Placed on C&M Due to COVID**	▪ Mine placed on care and maintenance due to economic impacts from COVID
2021 – 2024 **Mine Restart**	▪ Invested to restart operations, ramp up mining rate, and advance open pit and ISR permits ▪ Increased P&P reserves from 65mm to 570mm lbs with additional upside potential

Current Operations

COPPER CORP
Advancing new technologies for mineral extraction

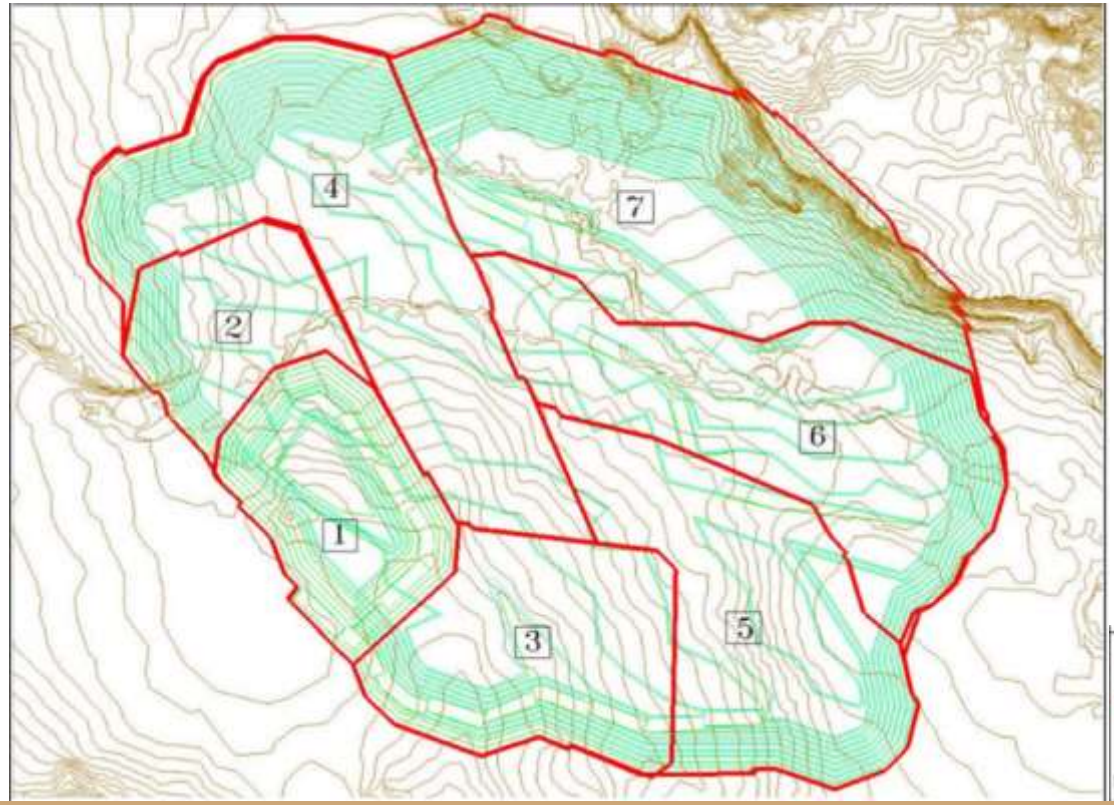
- Conventional truck ore stacking on existing lined heap leach pad transitioning to conveyor stack heap leach
- SX / EW plant nameplate capacity of 54mm lbs / year producing 99.999% pure copper cathode
  - Solution ponds, pumps and piping to / from 25mm ton leach pad are in place
  - Electric power supplied through 138 kV double pole power line
- Leach pad is triple-lined and monitored daily while solution ponds are double lined with compacted clay sub-layer which is monitored hourly
  - Strives to re-use and recycle all materials in leaching circuit
- Ferric iron bioleach using forced aeration is in place and operating
- Ancillary Facilities:
  - Administration and training buildings
  - Shower houses
  - Warehouse and storage buildings
  - Core shed
  - Laboratory
  - Maintenance and electrical workshops
  - Line out building
  - Fuel storage and dispensing areas

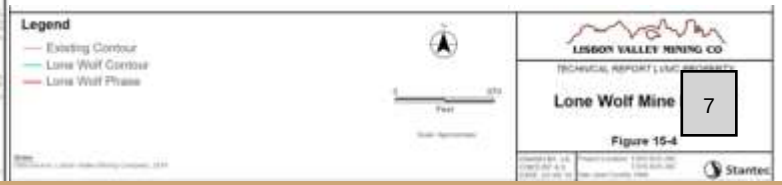
Proposed Expansion



- Expansion of open pit operations
- Initiation of in-situ recovery within LLV
- Incorporation of crush/convey/stack of ore in lieu of truck-stacking
- Reclamation of Active Mine area to commence for Waste Dumps A & B, and backfilled portion of Centennial Pit
- Waste Dump C expected to be fully reclaimed by 2026

Proposed Expansion

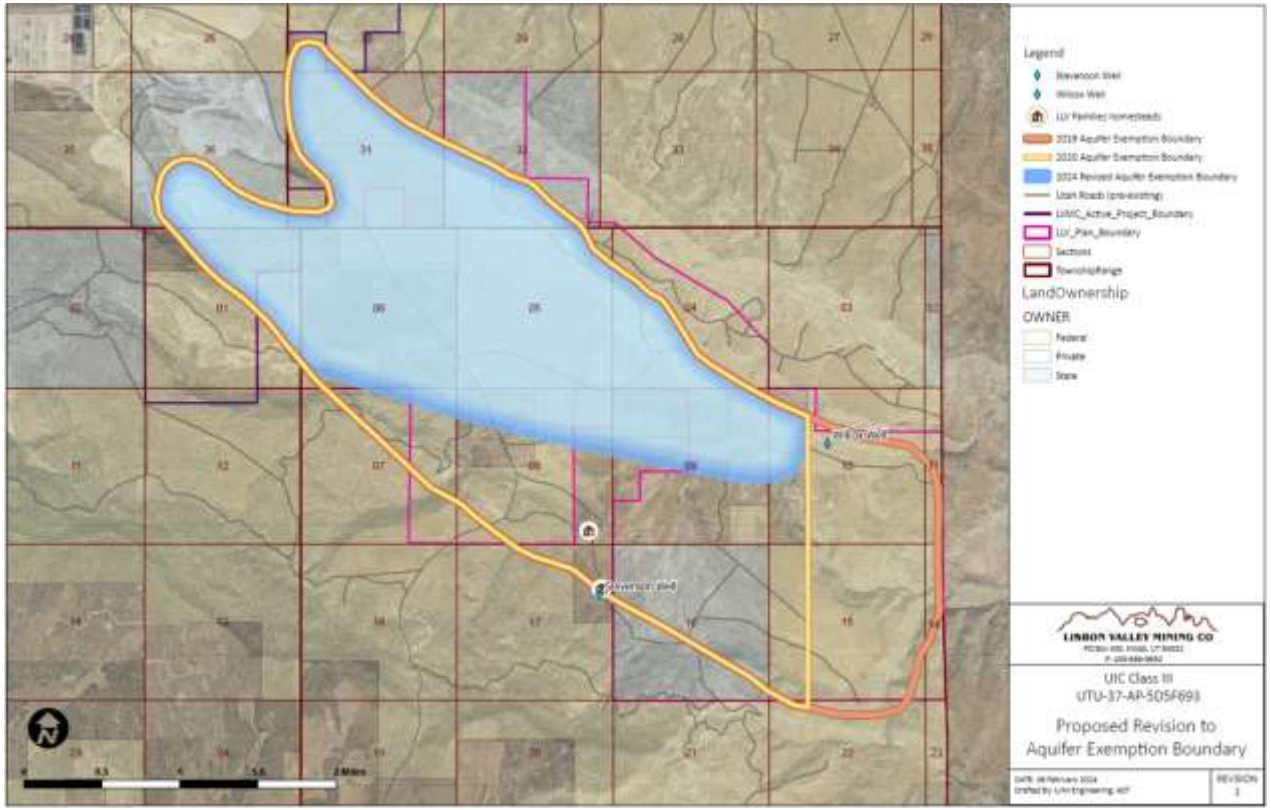




- Utilization of existing facilities for the first nine years of Lone Wolf operations
- Installation of LLV Leach Pad and Process Ponds at phase 5 of Lone Wolf

Proposed Expansion

Advancing new technologies for mineral extraction



- Aquifer Exemption Boundary (AEB) to align with Proposed Action disturbance
- AEB is controlled laterally and vertically
- Burro Canyon (BC) Aquifer targeted for AE is further segregated by high net neutralizing rock types
- Company has over 2,500 acre-feet of water rights available to use for ongoing operations

Proposed Expansion

Mine Component	Total Disturbance	Private	BLM	SITLA
Roads (acres)				
Mine Haul Roads	80.1	15.4	44.5	20.2
Road Berms & Fill	31.1	8.4	10.8	11.9
Light Vehicle Access Roads	18.5	1.8	15.0	1.7
ISR Well Roads	40.5	19.8	11.3	9.3
ISR Well Pads	16.5	8.1	4.6	3.8
Subtotal	**186.7**	**53.5**	**86.3**	**46.9**
Leach Pad, Mine Pit, Waste Rock Dump, Borrow Area, Ponds, Stockpiles (acres)				
A Dump WRS	135.1	-	87.7	47.4
B Dump WRS	100.6	-	-	100.6
C Dump WRS	258.0	-	258.0	-
Lone Wolf WRS	54.6	-	54.6	-
Centennial Pit (un-backfilled)	101.8	-	97.2	4.6
Centennial Backfill Area	141.4	-	35.1	106.3
GTO Pit	48.0	-	6.4	41.6
Lone Wolf Pit (un-backfilled)	72.4	-	72.4	-
Lone Wolf Backfill Area	362.8	10.5	336.3	16.0
LVM Leach Pad	321.4	174.1	147.3	-
LLV Leach Pad	141.3	132.6	8.7	-
LVM Process Area	33.3	8.7	24.6	-
LVM Process Ponds	29.8	29.8	(0.0)	-
LLV Process Ponds	43.8	29.9	10.1	3.8
Fresh Water Ponds	21.3	5.5	7.7	8.1
Growth Media Stockpiles	133.7	10.4	99.3	24.0
LP Capping Borrow Material	17.2	16.7	0.5	-
Subtotal	**2,016.5**	**418.2**	**1,245.9**	**352.4**
Yards (acres)				
Admin Area	5.1	-	5.1	-
Crusher Yard	52.3	43.7	8.6	-
Laydown Yards	11.0	4.2	6.8	-
Equipment Lineup & Truckshop	10.4	-	10.4	-
Yards Subtotal	**78.8**	**47.9**	**30.9**	**-**
Linear Features (acres (see project notes))				
Drainage Control Features	63.5	17.8	36.1	9.6
Natural Gas Line Re-Route	2.4	-	1.8	0.6
Ore Conveyor	2.0	1.2	0.8	-
Solution Pipeline	16.7	5.7	8.0	3.1
Subtotal	**84.6**	**24.7**	**46.7**	**13.3**
Project Total	**2,366.7**	**544.3**	**1,409.8**	**412.6**

	Total Disturbance Acres	Temporary (1)	Short Term (2)	Long-Term (3)	Permanent (4)
Mine Haul Roads	80.1	0.0	80.1	0.0	0.0
Road Berms & Fill	31.1	0.0	31.1	0.0	0.0
Light Vehicle Access Roads	18.5	0.0	0.0	18.5	0.0
ISR Well Roads	40.5	0.0	32.4	8.1	0.0
ISR Well Pads	16.5	0.0	11.6	5.0	0.0
A Dump WRS	135.1	0.0	135.1	0.0	0.0
B Dump WRS	100.6	0.0	100.6	0.0	0.0
C Dump WRS	258.0	0.0	258.0	0.0	0.0
Lone Wolf WRS	54.6	0.0	54.6	0.0	0.0
Centennial Pit (un-backfilled)	101.8	0.0	0.0	0.0	101.8
Centennial Backfill Area	141.4	0.0	141.4	0.0	0.0
GTO Pit	48.0	0.0	0.0	0.0	48.0
Lone Wolf Pit (un-backfilled)	72.4	0.0	0.0	0.0	72.4
Lone Wolf Backfill Area	362.8	0.0	362.8	0.0	0.0
LVM Leach Pad	321.4	0.0	321.4	0.0	0.0
LLV Leach Pad	141.3	0.0	141.3	0.0	0.0
LVM Process Area	33.3	0.0	33.3	0.0	0.0
LVM Process Ponds	29.8	0.0	0.0	26.8	3.0
LLV Process Ponds	43.8	0.0	0.0	39.4	4.4
Fresh Water Ponds	21.3	0.0	0.0	0.0	21.3
Growth Media Stockpiles	133.7	0.0	133.7	0.0	0.0
LP Capping Borrow Material	17.2	0.0	17.2	0.0	0.0
Admin Area	5.1	0.0	0.0	5.1	0.0
Crusher Yard	52.3	0.0	52.3	0.0	0.0
Laydown Yards	11.0	0.0	11.0	0.0	0.0
Equipment Lineup & Truckshop	10.4	0.0	10.4	0.0	0.0
Drainage Control Features	63.5	0.0	0.0	0.0	63.5
Natural Gas Line Re-Route	2.4	0.0	0.0	0.0	2.4
Ore Conveyor	2.0	0.0	2.0	0.0	0.0
Solution Pipeline	16.7	0.0	0.0	16.7	0.0
TOTAL	2,366.7	-	1,930.3	119.6	316.8

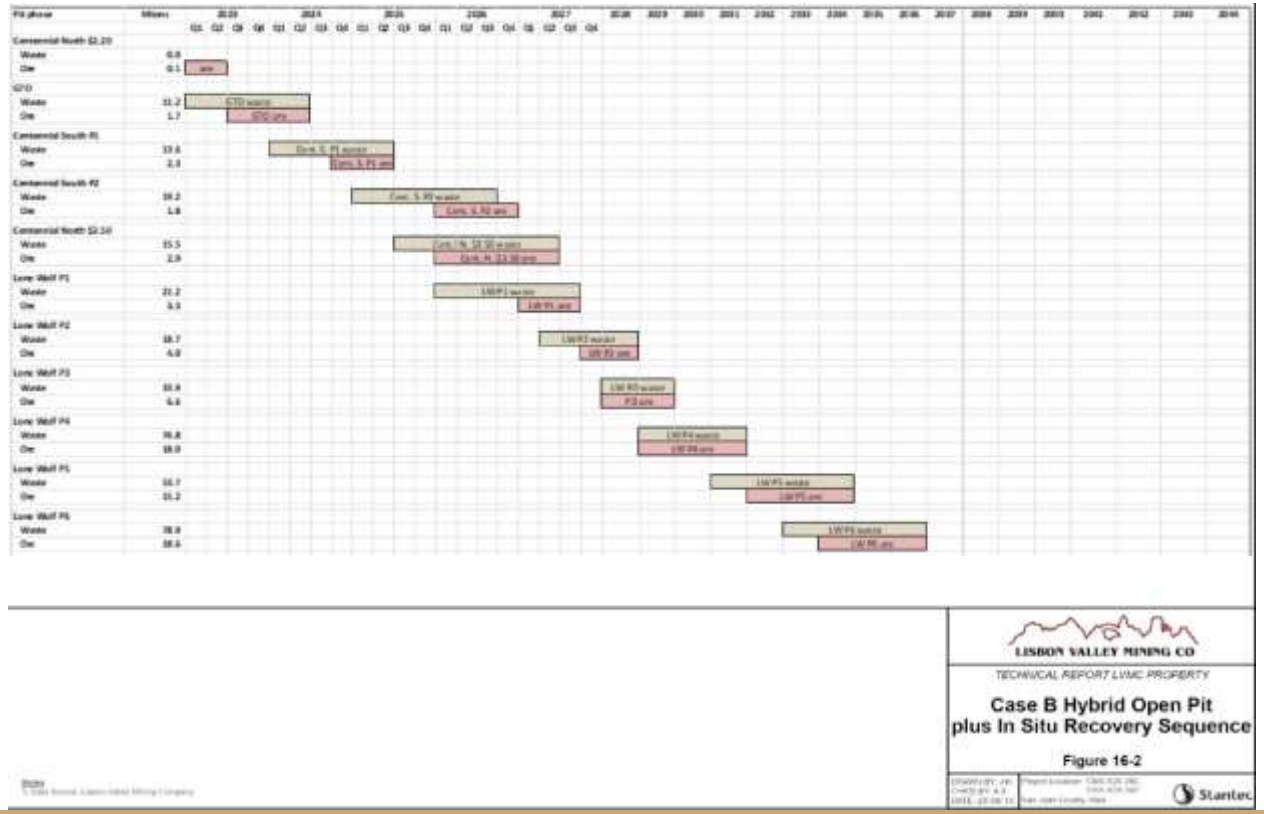
Proposed Expansion

Resource Type	Total Contained Copper (,000,000 lbs Cu)	Recovery (%)	Recoverable Reserve (,000,000 lbs Cu)
Existing LVMC HLP Inventory	56	50%	28
Centennial & GTO Pits	67	80%	54
Lone Wolf Open Pit	336	79%	267
GTO ISR	80	56%	45
Lone Wolf ISR	435	52%	226
TOTAL	974		620

Alternative A Copper Production = 620 million pounds
82 million pounds of copper produced from the existing open pit Active Mine area
267 million pounds of copper produced from LLV open pit mining
271 million pounds of copper produced from ISR operations

Employee Base per Alternative				
Alternative	Life of Mine (years)	Average Employee Count	Reclamation Duration (years)	Average Employee Count
Alternative A	20	200	10	30
Average Salaried employee annual wage			$85,000	
average hourly employee annual wage			$56,000	

Project Timeline



- Planned completion of mining in Active Mine Area to occur in 2027
- Stripping of Lone Wolf scheduled to commence Q1 2026 in order to ensure ore supply continuity
- Stripping of Lone Wolf waste to expose first ore zone expected to take one year from initiation

Project Timeline

PROPOSED ACTION IS HYBRID CASE, HOWEVER IF THERE ARE DELAYS DUE TO AQUIFER EXEMPTION, THE COMPANY FULLY INTENDS TO PERFORM OPEN PIT MINING TO ITS FULLEST EXTENT.

Sustainable Practices

- Regenerative Rangeland Analyses
- Subsurface wetlands & Phytoremediation
- Incorporation of solar facilities
- Active reasearch and development of effective and more environmentally benign leaching technologies

Summary

THANK YOU!

Lisbon Valley Mining Company

For follow-up questions, please contact:

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