

Fact Sheet: Twin Metals Federal Lawsuit to Protect Mineral Rights September 12, 2016

On September 12, 2016, Twin Metals Minnesota filed a lawsuit in U.S. District Court in Minnesota to affirm and protect its long-standing federal mineral rights in the Iron Range region of Northeast Minnesota. Twin Metals is in the early stages of developing a proposal for a modern, environmentally responsible, underground copper-nickel mining project in the region, which would provide hundreds of jobs for generations of Minnesotans. Below are the basic facts about Twin Metals' federal lawsuit:

- (1) The Twin Metals lawsuit challenges a recent opinion by Department of the Interior (DOI) Solicitor Hilary Tompkins instructing the Bureau of Land Management (BLM) that it can deny renewal of Twin Metals' federal mineral leases. If not overturned, the Solicitor's unlawful opinion would eviscerate Twin Metals' long-standing federal mineral rights in Northeast Minnesota; deprive Minnesota of hundreds of jobs and billions of dollars in environmentally-responsible economic growth; and prevent access to one of the world's largest sources of copper, nickel and platinum, which are of strategic importance to the U.S. economy and national defense.
- (2) Twin Metals' mineral rights are grounded in established federal mineral law and policy, and are memorialized in two mineral leases executed with the federal government 50 years ago.
- (3) An essential component of Twin Metals' mineral rights is its entitlement to non-discretionary renewal of these leases. The government has long recognized this renewal right; in fact, the Department of the Interior granted Twin Metals' request to renew the leases without controversy in 1989 and 2004.
- (4) Now, in an abrupt reversal of its support and approval of the leases over the past five decades, the Department of the Interior has taken the position in the form of the Solicitor's opinion that BLM has unfettered discretion to deny the renewal of Twin Metals' leases.
- (5) The government's actions have cast a cloud of uncertainty over Twin Metals' mineral rights. The Solicitor's opinion makes it impossible for Twin Metals to engage in any long-term planning, investment, development, and operational decisions, effectively thwarting any development of the mineral estate; materially harming the future mining project; and jeopardizing Twin Metals' \$400 million investment to date in acquisition, exploration, technical, and other activities to develop these minerals.
- (6) Twin Metals has therefore brought suit in federal court to confirm its mineral rights and entitlement to non-discretionary lease renewal, and to obtain a declaration that the Solicitor's opinion is erroneous and should be invalidated. Affirming the validity of Twin Metals' federal mineral leases would eliminate uncertainty and facilitate responsible project development activities moving forward.
- (7) The lawsuit is against the United States, the Department of the Interior, the Bureau of Land Management, Interior Secretary Sally Jewell, and Solicitor of the Interior Hilary Tompkins.