

JOINT NEWS RELEASE of the FOLLOWING PARTIES:

Coeur d'Alene Tribe, U.S. Fish and Wildlife Service, U.S. Environmental Protection Agency, U.S. Forest Service, U.S. Bureau of Land Management, Idaho Department of Environmental Quality and the Idaho Department of Fish and Game.

September 8, 2011

Contact: Coeur d'Alene Tribe: Eric Van Orden, 208-686-0400

USFWS: Joan Jewett, 503-231-6211

EPA: Mark MacIntrye, 206-553-7302

IDEQ: Curt Fransen, 208-699-0610

IDFG: Chip Corsi, 208-769-1414

USFS: Jason Kirchner, 208-765-7211

BLM: Jeff Johnson, 208-769-5030

Court Approves Historic Settlement to Clean up Coeur d'Alene Basin in Idaho

Restoration work will improve water quality and habitat and provide jobs

A historic settlement was approved today by U.S. District Judge Edward Lodge in Idaho, resolving one of the largest cases ever filed under the federal Superfund statute.

Under the settlement, Hecla Mining Company will pay \$263.4 million plus interest to the United States government, the Coeur d'Alene Tribe and the State of Idaho to resolve human health and environmental claims resulting from the release of wastes from Hecla's past mining operations throughout the Bunker Hill Mining and Metallurgical Superfund site in the Coeur d'Alene Basin in northern Idaho.

Settlement funds will be dedicated to cleaning up the environment and restoring natural resources in the Basin, which will benefit local communities by protecting human health, improving water quality and providing jobs during the cleanup and restoration and ultimately, by enhancing fisheries and wildlife habitat in a region that attracts thousands of hunters and fishermen each year.

The Bunker Hill Superfund site is one of the largest and most contaminated sites in the nation. At one time, the Upper Basin, or Silver Valley, was one of the largest silver-producing districts in the world. As a result of past mining practices, the basin has been contaminated with heavy metals such as lead, zinc and arsenic. The Environmental Protection Agency (EPA) began cleanup at the site in the 1980s, focusing on protecting human health. Although many public and environmental health improvements have been achieved, widespread contamination continues to pose significant risks to human health and the environment in both the Upper Basin and Lower Basin, and cleanup work will likely continue for many years.

Chief J. Allan, Chairman of the Coeur d'Alene Tribe, said the Tribe is pleased that two decades of litigation have finally come to an end.

“The Tribe knew the decision to bring this Superfund lawsuit would be unpopular, but believed it was necessary to clean up the Coeur d'Alene Basin and bring meaningful changes in the way we protect our natural environment,” Allan said. “With the signing of this historic agreement, the Tribe looks forward to being a partner in the ongoing cleanup efforts. The resources made available from this settlement will provide critical funding for restoration projects throughout the Basin and bring economic benefits to the entire region.”

Of the total settlement, about \$65.9 million will go to the natural resource trustees for natural resource restoration. The natural resource trustees are the Department of the Interior, represented by the U.S. Fish and Wildlife Service and the Bureau of Land Management; the U.S. Department of Agriculture, represented by the U.S. Forest Service; the Coeur d'Alene Tribe; and the State of Idaho, represented by the Idaho Departments of Fish and Game (IDFG) and Environmental Quality (IDEQ).

About \$197.5 million will be used by the EPA and the Idaho Department of Environmental Quality (IDEQ) for cleanup of contamination at the Superfund site, which spans Shoshone, Kootenai and Benewah counties.

Coupled with a 2008 settlement with ASARCO, a total of about \$140 million is available for natural resource restoration in the Coeur d'Alene Basin, in addition to \$691.5 million for cleanup.

The natural resource restoration planning and implementation will be coordinated with the EPA's cleanup plans and actions. Natural resource restoration actions are in addition to cleanup actions at Superfund sites and include habitat improvements for birds, wildlife and fish. The cleanup and restoration activities will likely span decades.

“We are grateful to those who labored through years of litigation and negotiations that brought us to this important milestone toward the cleanup and restoration so critically needed in this beautiful area of Idaho,” said Robyn Thorson, Regional Director of the Fish and Wildlife Service's Pacific Region, which is the lead federal trustee. “Future generations will benefit from their work.”

“This settlement means cleanup, restoration and mining can move forward together in the Silver Valley,” said Dennis McLerran, EPA Regional Administrator in Seattle. “Today's agreement not only provides more money for cleanup, but helps lay the foundation for a stronger future: one built on mining stewardship, a healthier environment and a growing, vibrant economy.”

IDFG Panhandle Supervisor Chip Corsi and IDEQ Regional Administrator Dan Redline issued a joint statement, stating: “This latest chapter in the history of the Silver Valley and surrounding area presents exceptional opportunities to benefit the fish, wildlife, environment and people of the Coeur d'Alene Basin.”

Acting Idaho Panhandle National Forests Supervisor Maggie Pittman and BLM District Manager Gary Cooper also issued a joint statement, saying, “We are very happy to be part of this final settlement. We stand ready to continue our work as land managers to restore the local environment and improve the quality of the landscape throughout the Silver Valley and Coeur d'Alene Basin.”

The natural resource trustees' first step will be to develop a comprehensive plan and Environmental Impact Statement (EIS) to guide restoration of injured natural resources in the Basin. As they develop the plan, the Trustees will seek and incorporate citizen input. The Trustees will conduct public scoping and then draft restoration alternatives that will propose priority locations and types of actions needed and may also include some specific actions. Following analysis and public comment, a final restoration plan and EIS will be developed, most likely in two to three years.

Settlement funds recovered by the natural resource trustees will be used to restore, replace or acquire the equivalent natural resources injured by mining. The resources and services that have been affected include fish, birds and wildlife, clean water, riparian vegetation, soil and sediment, and recreation opportunities.