

May 20, 2025

Tyler Flaig, Natural Resources Unit Manager  
Montana Department of Revenue  
PO Box 5805  
Helena, Montana 59604-5805

Re: 2025 Metal Mines License Tax Allocation (SMC East Boulder Project)

Dear Tyler:

Enclosed is a draft copy of the 2025 Annual Allocation of Metal Mines License Tax Revenue to Eligible Counties as specified in Section 1.12 on page 1-9 and Appendix A of the 1998 Hard Rock Mining Impact Plan Amendment for the East Boulder Project. The mineral developer has provided the following data and calculations.

Based on the CY 2024 production and receipts of the East Boulder Mine, the percentage of the revenues received that are to be allocated by the Montana Department of Revenue to each eligible county in FY 2024 is as follows:

- |    |                           |                |
|----|---------------------------|----------------|
| 1. | <b>Sweet Grass County</b> | <b>69.334%</b> |
| 2. | <b>Park County</b>        | <b>21.333%</b> |
| 3. | <b>Stillwater County</b>  | <b>9.333%</b>  |

If possible, please notify Judy Clay, Accountant, Community MT, Department of Commerce at 406.841.2703 or [judy.clay@mt.gov](mailto:judy.clay@mt.gov), of the amount allocated to each eligible county by June 30, 2025.

Sincerely,



Rachel Young  
Board Officer  
Hard Rock Mining Impact Board  
406.841.2867  
[Rachel.young@mt.gov](mailto:Rachel.young@mt.gov)

ecc: Kelli Barcus  
Becky Anseth, Infrastructure Manager  
Judy Clay, Community MT Accountant

## APPENDIX A

### 2025 ANNUAL ALLOCATION OF METAL MINES LICENSE TAX REVENUE TO ELIGIBLE COUNTIES

#### PART ONE: IDENTIFY THE TAXPAYING MINE AND THE COUNTIES IDENTIFIED IN THE APPROVED HARD-ROCK MINING IMPACT PLAN

**Name of Mine:** East Boulder - Stillwater Mining Company

**Name of County, or Counties, in Which Ore Body, Mine and Associated Milling Facility  
are Located:** Sweet Grass County, Montana

**Names of Affected Counties Identified in the Approved Impact Plan:**  
Sweet Grass County

**Names of Potentially Affected Counties Identified in the Approved Impact Plan:**  
Park County  
Stillwater County

#### PART TWO: DETERMINE WHICH IDENTIFIED COUNTIES ARE ELIGIBLE TO RECEIVE METAL MINES LICENSE TAX REVENUE

- A. ECONOMIC IMPACTS RESULTING IN INCREASED EMPLOYMENT --  
COUNTIES IN WHICH MINERAL DEVELOPMENT EMPLOYEES RESIDE:**  
**Identify each affected or potentially affected County in which Mineral Development  
Employees reside, or are expected to reside, as specified in the Impact Plan.** An  
employee's place of residence is generally considered to be the *place from which the employee  
commutes to the mine or mill on a daily basis*, unless the Plan specifies otherwise, such as if the  
employee's normal residence is elsewhere within the impact area.

**Name of County # 1: Sweet Grass County**  
Residence of Mineral Development Employees? Yes.

**Name of County # 2: Park County**  
Residence of Mineral Development Employees? Yes.

**Name of County # 3: Stillwater County**  
Residence of Mineral Development Employees? Yes.

- B. FISCAL IMPACTS RESULTING IN INCREASED COSTS -- COUNTIES WITH IDENTIFIED INCREASED COSTS:** Identify each County in which any affected unit of local government has experienced, or is expected to experience, *Increased Costs for Services or Facilities* as a result of the Mineral Development, as specified in the Impact Plan. List the County if the approved impact plan identifies an increased local government cost in any local government unit within the County.

Name of County # 1: Sweet Grass County

Increased Local Government Costs? Yes.

Name of County # 2: Park County

Increased Local Government Costs? No.

Name of County # 3: Stillwater County

Increased Local Government Costs? No.

- C. ELIGIBLE COUNTIES:** List the Counties identified in the Impact Plan that have experienced or will experience increased mineral development employment or increased local government costs, or both, as a result of the mineral development, as shown in A and B above.

Name of County # 1: Sweet Grass County

Name of County # 2: Park County

Name of County # 3: Stillwater County

*Each affected or potentially affected County in which the Impact Plan identifies fiscal or economic impacts resulting in increased local government costs or increased employment is eligible to receive metal mines license tax revenue.*

**PART THREE: DETERMINE THE NUMBER AND PERCENTAGE OF MINERAL DEVELOPMENT EMPLOYEES IN EACH COUNTY.**

- A. TOTAL NUMBER OF MINERAL DEVELOPMENT EMPLOYEES:** Identify the average number of persons employed by the developer or its contractors or subcontractors in the construction or operation of the mine or its associated milling facility during the preceding calendar year.

# Local Employees	382	% Local Employees	66.55%
# In-migrating Employees	192	% In-migrating Employees	33.45%
<b>TOTAL # EMPLOYEES</b>	<b>574</b>		<b>100 %</b>

**B. NUMBER OF MINERAL DEVELOPMENT EMPLOYEES BY COUNTY OF RESIDENCE: Identify the *Number of Mineral Development Employees residing in each affected or potentially affected County.***

**Name of County # 1: Sweet Grass County**

# Local Employees	69
# In-migrating Employees	47
<b>Total # Mineral Development Employees in County # 1:</b>	<b>116</b>

**Name of County # 2: Park County**

# Local Employees	84
# In-migrating Employees	44
<b>Total # Mineral Development Employees in County # 2:</b>	<b>128</b>

**Name of County # 3: Stillwater County**

# Local Employees	36
# In-migrating Employees	20
<b>Total # Mineral Development Employees in County # 3:</b>	<b>56</b>

**C. NUMBER OF MINERAL DEVELOPMENT EMPLOYEES RESIDING IN ALL ELIGIBLE COUNTIES: Add the number of employees residing in the eligible counties identified above. This total may be less than the number of mineral development employees identified in A above, because some employees, usually a relatively small number, may live outside the impact area.**

**# of Mineral Development Employees Residing in Eligible Counties: 300**

**D. PERCENTAGE OF MINERAL DEVELOPMENT EMPLOYEES RESIDING IN EACH ELIGIBLE COUNTY: Calculate the *percentage* of mineral development employees residing in each identified county. Divide the number of mineral development employees residing in each eligible county (item B above) by the total number of mineral development employees residing in all eligible counties (item C above).**

**Name of County # 1: Sweet Grass County**

116 # Min Dev Employees Residing in County # 1, divided by  
300 # Min Dev Employees Residing in All Eligible Counties =  
0.38667 or 38.667%

**% of Mineral Development Employees Residing in County # 1 = 38.667%**

**Name of County # 2: Park County**

128 # Min Dev Employees Residing in County # 2, divided by  
300 # Min Dev Employees Residing in All Eligible Counties =  
0.42667 or 42.667%

**% of Mineral Development Employees Residing in County # 2 = 42.667%**

**Name of County # 3: Stillwater County**

56 # Min Dev Employees Residing in County # 3, divided by  
300 # Min Dev Employees Residing in All Eligible Counties =  
0.18667 or 18.667%

**% of Mineral Development Employees Residing in County # 3 = 18.667%**

NOTE: These calculations should account for 100% of the mineral development employees who reside in an affected or potentially affected unit of local government identified in the impact plan.

**PART FOUR: DETERMINE THE AMOUNT AND PERCENTAGE OF INCREASED COST IN EACH COUNTY.**

- A. MINE-LIFE or LIFE OF MINE: Identify the period of time considered as mine-life for purposes of these calculations. Specify the number of years included and the beginning and ending dates.** [The projection of mine-life may be uncertain. If the parties to the Impact Plan prefer, they may, initially, base their calculations on a potential mine life that begins with the anticipated or actual commencement of activity under an operating permit and extends at least through the sixth full year after the year in which the mine reaches full production. As part of the annual process of adjusting the impact plan to update this Addendum, the identified mine-life period and the calculation of increased costs over time can be adjusted to reflect the most current expectations of probable mine-life.]

**Mine-Life is estimated through 2059 based on current proven and probable reserves.**

- B. INCREASED COSTS BY COUNTY: List the TOTAL of All Increased Local Government Costs Identified in All Local Government Units in Each County Over the Life of the Mine.** [As costs incurred during the life of the mine, include all costs identified in the impact plan for which impact payments are made in anticipation of, but prior to, actual commencement of construction, including, if identified in the impact plan, any financial assistance for preparing for and evaluating the impact plan, as authorized by 90-6-307, MCA.]

**Name of County # 1: Sweet Grass County**

Increased Costs to Local Government Units in County # 1:      **\$ 3,248,516**

**Name of County # 2: Park County**

Increased Costs to Local Government Units in County # 2:      **\$ -0-**

**Name of County # 3: Stillwater County**

Increased Costs to Local Government Units in County # 3:      **\$ -0-**

**C. TOTAL MINE-LIFE INCREASED LOCAL GOVERNMENT COSTS IDENTIFIED IN IMPACT PLAN: Add the increased costs for all eligible counties.**

**Total Mine-life Increased Costs in All Eligible Counties: \$ 3,248,516**

**D. PERCENTAGE OF INCREASED COSTS OCCURRING IN EACH ELIGIBLE COUNTY: Calculate the percentage of increased costs occurring in each identified county. Divide the increased costs in each county (section B) by the total increased costs for all eligible counties (section C).**

**Name of County # 1: Sweet Grass County**

**\$ 3,248,516** Increased Local Government Costs in County # 1, divided by

**\$ 3,248,516** Increased Local Government Costs in All Eligible Counties =

**1.0 or 100 %**

**Percentage of Increased Costs Occurring in County # 1 = 100 %**

**Name of County # 2: Park County**

**\$ -0-** Increased Local Government Costs in County # 2, divided by

**\$ 3,248,516** Increased Local Government Costs in All Eligible Counties =

**0 or 0 %**

**Percentage of Increased Costs Occurring in County # 2 = 0 %**

**Name of County # 3: Stillwater County**

**\$ -0-** Increased Local Government Costs in County # 3, divided by

**\$ 3,248,516** Increased Local Government Costs in All Eligible Counties =

**0 or 0 %**

**Percentage of Increased Costs Occurring in County # 3 = 0 %**

NOTE: These calculations should account for 100% of the increased local government costs in all affected units of local government in all affected counties identified in the impact plan.

**PART FIVE: PERCENTAGE OF METAL MINES LICENSE TAX REVENUE TO BE ALLOCATED TO EACH ELIGIBLE COUNTY: Using the data shown above, calculate the percentage of metal mines license tax revenue to be allocated to each eligible County. Add each county's cost and employment percentages and divide by two, to give equal weight to increased costs and increased employment.**

**NAME OF COUNTY # 1: Sweet Grass County**

**Increased Costs: 100 % of Total in All Eligible Counties**

**Increased Employment: 38.667 % of Total in All Eligible Counties**

**Add the two percentages: 138.667% and Divide by 2 =**

**\*\*\* PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 1: 69.334 %**

**NAME OF COUNTY # 2: Park County**

**Increased Costs: 0 % of Total in All Eligible Counties**

**Increased Employment: 42.667% of Total in All Eligible Counties**

**Add the two percentages: 42.667% and Divide by 2 =**

**\*\*\* PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 2: 21.334%**

**NAME OF COUNTY # 3: Stillwater County**

**Increased Costs: 0 % of Total in All Eligible Counties**

**Increased Employment: 18.667% of Total in All Eligible Counties**

**Add the two percentages: 18.667% and Divide by 2 =**

**\*\*\* PERCENTAGE OF REVENUE TO ALLOCATE TO COUNTY # 3: 9.334%**

**\*\*\* TOTAL PERCENTAGE ALLOCATED: 100 %**

**NOTE: The total percentage to be allocated should equal 100 percent.**

**For Purposes of the Allocation of Metal Mines License Tax Revenues Received and Allocated by the Montana Department of Revenue in Calendar Year 2025, Allocation is based on the Production and Receipts of the East Boulder Mine for Reporting Periods Ending December 31 and June 30.**

**We, the Undersigned, Have Reviewed and Concurred in the Data and Calculations Appearing in the Attached Addendum to the Hard-Rock Mining Impact Plan,**

*AUTHORIZED SIGNATURES:*

County # 1: Sweet Grass County Date signed 5-13-25  
Melanie Doe, Chair, Board of County Commissioners  
William Walker, Commissioner  
John Murphy, Commissioner

County # 2: Park County Date signed 5/13/2025  
Joe Doe, Chair, Board of County Commissioners  
Jim Weston, Commissioner  
Jim Weston, Commissioner

County # 3: Stillwater County Date signed 5-14-2025  
Joe Doe, Chair, Board of County Commissioners  
Kevin Smith, Commissioner  
Kevin Smith, Commissioner

Mineral Developer Kevin Mitch Date signed 5/12/2025  
(Authorized Representative of Mineral Developer)

Submitted to Hard-Rock Mining Impact Board by Rachel Young  
Date submitted 5/20/25  
Date received 5/15/25

Concurred in or Approved by HRMI Board: Ray W. Sheldon  
(Signed: Chair, Hard-Rock Mining Impact Board)  
Date of Board action: \_\_\_\_\_ Date signed 5/20/2025

Submitted to Montana Department of Revenue for Board by: \_\_\_\_\_  
Date submitted \_\_\_\_\_