

NATIONAL MINING ASSOCIATION
Minutes of the Board of Directors Virtual Meeting
June 30, 2020

The meeting was called to order at 1:08 p.m. by the Chairman of the Board, Phillips Baker, Jr.

In addition to the chairman, the following members of the board were present:

Jack Atwater, Dyno Nobel, Inc.; Bappaditya Banerjee, GE Transportation, a Wabtec Company; Chris Bateman, Sibanye-Stillwater; Joe Becko, Cummins Engine Co.; Jimmy Brock, Consol Energy Inc.; J C Butler, the North American Coal Co.; Red Conger, Freeport-McMoRan Inc.; Joseph Craft, Alliance Resource Partners, L.P.; Paul Davis, Nexans AmerCable; Jeff Dawes, Komatsu Mining Corp.; Jean-Baptiste Dromer, K+S Windsor Salt Ltd.; Greg Gibson, SSR Mining Inc.; Jon Giesen, Nelson Brothers, Inc.; Paul Goranson, Energy Fuel Resources; Steve Gottesfeld, Newmont; Greg Gregory, Materion Resources; Peter Halpin, World Resources Co.; Gregory Hinshaw, J.H. Fletcher & Co.; Denise Johnson, Caterpillar Inc.; Glenn Kellow, Peabody; Mitchell Krebs, Coeur Mining, Inc.; Shane Kuhlmeier, Liebherr USA; Paul Lang, Arch Resources, Inc.; Andrew Lye, Rio Tinto; Sean McLanahan, McLanahan Corp.; Scott Melbye, Uranium Energy Corp.; Clark Moseley, Navajo Transitional Energy Co., LLC; Richard Mullen, Drummond Co.; Rich Nolan, National Mining Association; Craig Nunoz, Natural Resource Partners; Paul Painter, Sandvik Mining & Construction; Alan Prouty, J.R. Simplot Co.; Catherine Raw, Barrick Gold Corp.; Meri Sandlin, Western Fuels Association, Inc.; Robert Stenger, Cincinnati Mine Machinery Co.; Mike Sylvestre, Kinross Gold Corp.; Joe Usibelli, Usibelli Coal, Inc.; and Randy Vranes, Bayer-US Crop Science.

The following alternate board members were present:

Thomas Borer, Epiroc USA LLC; Adam Diamond, Nutrien; Michael Klein, Lighthouse Resources Inc.; James Pfeifer, Jennmar; Jamalyn Sarver, Hallador Energy Co.; and D'Andre Wright, Warrior Met Coal, Inc.

The following representatives from member companies were present:

Rusty Ashcraft, North Star Strategies; Dan Barron, Alliance Resource Partners L.P.; Doug Blom, Komatsu Mining Corp.; John Boyd, John T. Boyd Co.; Josh Brown, Rio Tinto; Alex Buehrle, UR-Energy USA, Inc.; Mark Compton, American Exploration & Mining Association; Ruth Demeter, Peabody; Kelly DeSmet, Hitachi Mining; Mary Beth Donnelly, Newmont ; Rod Duncan, J.H. Fletcher & Co.; Christina Erling, Barrick Gold Corp.; Michael Flannigan, Peabody; Dan Funcannon, Komatsu America; John Gefferth, Barr Engineering; Greg Gillian, Stantec Inc.; Tyre Gray, Nevada Mining Association; Alyssa Harre, Prairie State Generating Co., LLC; Martin Litt, Kinross Gold; Heath Lovell, Alliance Resources Partners, L.P.; Ryan Modlin, Rio Tinto; Dave Moss, North Star Strategies; Gary Mostyn, Nexans AmerCable; Shane Nugent, Deutz Corp.; Kelly

Osborne, Twin Metals; David Rivera Freeport-McMoRan, Inc.; Rachel Rogier, Arch Resources, Inc.; Luke Russell, Hecla Mining Co.; Melissa Russell, Caterpillar Inc.; Mike Satre, Hecla Mining Co.; Lorali Simon, Usibelli Coal Mine, Inc.; Deck Slone, Arch Resources, Inc.; Keith Smith, Materion Resources; Sid Smith, American Exploration and Mining Association; Zach Smith, Consol Energy Inc.; Brian Somers, Utah Mining Association; Skip Stephens, Komatsu Mining Corp.; and Fran Taglia, Weir International.

The following officers and staff members were present:

Conor Bernstein, Tawny Bridgeford, Ashley Burke, Katie Coon, Virginia Gum, Tom Harmon, Ryan Jackson, Caitlin McHale, Jerry Mullins, Chanyong Pak; Moya Phelleps, Justin Prosser, Roger Roberts (Treasurer), Matt Roper, Veronika Shime, Katie Sweeney (Sec.), and Mike Zabko.

I. Call to Order/Safety Share

A quorum of the board was established and the meeting commenced with a COVID-19 specific safety share, featuring videos from Hecla and Consol regarding safety protocols that have been instituted on mine sites. Following the safety share and antitrust guidance, Chairman Baker reviewed the purpose of the meeting. In opening remarks, he introduced and welcomed new members to the association.

II. Approval of the Agenda

Chairman Baker placed approval of the meeting agenda before the board. Without any proposed changes or objection, the agenda was approved.

III. Approval of Minutes of Sept. 25, 2019 Board Meeting

Chairman Baker placed approval of the minutes of the Sept. 25, 2019, Board of Directors before the board. Following a motion, duly seconded, and no request for further discussion, the minutes were unanimously approved.

IV. Executive Committee Report

Chairman Baker reported on the June 29 meeting of the executive committee. Primarily, he focused on the decision to establish four association vice chairs to address concerns about the volatility and turnover among the board in general, but particularly within the chain of succession for board leadership positions. He indicated the vice chairs would be responsible for (1) audit, finance and membership; (2) minerals policy; (3) coal policy and (4) environmental, social and governance. He explained that in addition to that change there would be conforming bylaw amendments proposed to the board for their consideration before the next board meeting.

V. MINExpo INTERNATIONAL® 2021

Jeff Dawes, Chair of MINExpo INTERNATIONAL® 2021, and Moya Phelleps provided an update on all the work done related to the rescheduling of MINExpo since the postponement announcement was made in mid-May. They highlighted that NMA had

successfully mitigated \$9 million in cancellation fees and express optimism that additional losses would be covered by our cancellation insurance, which includes a contagious disease rider. Ms. Phelleps indicated that NMA is working aggressively to reschedule the show and hopes to announce new show dates soon. Finally, she noted that work is already underway with the more than 30 hotels for new hotel blocks and renegotiated rates for Sept. 2021.

VI. Association Report

Rich Nolan initiated the association report noting the theme was “Mining: Essential to American Life, the Foundation for Recovery.” The theme represented the advocacy NMA initiated since the outset of the COVID pandemic to ensure Congress, the administration and states do not overlook the essential nature of the mining industry as it continues to work to provide the resources, metals and raw materials necessary to power America, support domestic manufacturing and strengthen national defense.

Ashley Burke described the communications tactics used to ensure that mining’s interests are considered as the nation responds to the COVID crises. From “rapid response” to rebut claims that mining was not an essential industry to sharing stories of safety actions and community contributions undertaken by NMA members, NMA reached new audiences with its COVID messaging. NMA developed a suite of new COVID-related materials for the NMA website including new infographics about uses of minerals in combatting the epidemic. To help members distill the flood of COVID information and provide concise information on the developments most likely to affect the mining community, NMA developed a weekly COVID newsletter. The newsletter also served as a place to share examples of NMA members’ actions on the front lines to address this crisis.

Rich Nolan and Ryan Jackson discussed the significance of NMA’s participation in the Department of Homeland Security’s (DHS) Critical Manufacturing Coordinating Council as well as the President’s Great American Economic Revival Industry Group. The Council is the group the DHS consults about issues important to the manufacturing sector, allowing the association to secure clarifying language to more prominently feature mining as an essential industry on the DHS list. This designation was important as states early on in this pandemic were simply referring to DHS’ list in many cases and a clear designation of being a critical industry helped keep mining operations open.

Mr. Jackson reported that the President invited Rich Nolan to be part of his economic revival group, one of only three trade associations represented. Participation gave NMA a formal opportunity to follow up with the White House to identify burdens that prevented the mining industry from fully contributing to reopening the economy. He also described NMA’s congressional advocacy to ensure that mining’s interests were considered, particularly the need for business liquidity, as COVID relief packages were coming together.

The next section of the report focused on top priorities for coal members. Katie Sweeney highlighted progress on coal exports, noting both the U.S. Army Corps and the U.S. Environmental Protection Agency (EPA) took strong action to reign in state abuse of the Clean Water Act (CWA) section 401 state certification process. She also discussed NMA's participation in litigation on coal export bans. Next, Virginia Gum and Tom Harmon turned to the association's advocacy on black lung insurance to address the new security terms the Department of Labor's Office Workers' Compensation Programs (OWCP) were imposing on coal companies before allowing them to self-insure these obligations. NMA continues to respond at all levels of the administration and with Congress on the OWCP generic liability analysis that is disconnected from financial reality and actuarial analysis, thereby creating huge new liabilities for operators.

Caitlin McHale addressed NMA's methods to defend the existing coal fleet through advocacy to limit state subsidies and level playing fields. She highlighted NMA's participation in the Federal Energy Regulatory Commission's PJM minimum offer price rule to ensure action on these market distortions. Tawny Bridgeford then summarized NMA's involvement in the legal defense of the Affordable Clean Energy (ACE) rule that will culminate in oral arguments before the U.S. Court of Appeals for the District of Columbia Circuit this fall. Jerry Mullins outlined the association's activity in key states to ensure early adoption of the ACE rule through state implementation plans.

Virginia Gum concluded the coal priority section of the association report with an update on reauthorization of the Abandoned Mine Land (AML) Trust Fund. She noted that NMA remains concerned about how the funds are spent with only one of every three dollars going to priority coal projects. She added however, that NMA supports Sen. John Barrasso's (R-Wyo.) compromise approach, which would reduce the AML rate by 35 percent while simultaneously refocusing the program on priority projects and oversight to ensure funds are not squandered on overhead and administrative costs.

Tawny Bridgeford then detailed EPA's release of the Smart Sector snapshot for mining, an interactive, web-based tool to increase the understanding of the mining sector's economic contributions and environmental performance over the last 20 years. NMA's direct engagement with EPA on this effort ensured that the snapshot accurately describes the industry and the importance of our products.

Ms. Bridgeford then turned to the priorities important to the mineral producer members. She provided an update on negotiations with various stakeholder, including Trout Unlimited, to develop thoughtful and workable Good Samaritan legislation to be introduced by Sen. Cory Gardner (R-Colo.) Next, Katie Sweeney provided an update on NMA's Minerals Policy Task Force's evaluation of narrowly scoped Mining Law legislative principles to determine if there was a path forward in the current Congress.

Ms. Sweeney also discussed the association's efforts to eliminate bureaucratic hurdles to mine permit approvals. She explained the significance of the recent vote by the

Federal Permitting Improvement Steering Council to add hardrock mining as a covered sector under section 41 of the Fixing America's Surface Transportation Act. Advantages of inclusion are strict timetables and mandatory coordination amongst the agencies, which leads to faster permits and earlier returns on investment. She also discussed agency efforts to address permit delays including anticipated regulatory changes to the Bureau of Land Management and Forest Service's hardrock mining regulations. Justin Prosser followed with a discussion of efforts to advance permitting legislation in Congress.

In the cross-cutting section of the report, the NMA team covered the shared priorities of the association membership. First, Ms. Sweeney discussed the fast pace of the Council of Environmental Quality to finalize the first substantive updates to its National Environmental Policy Act (NEPA) regulations in 40 years. These NEPA reforms will significantly speed permitting and lower costs for mining projects.

Caitlin McHale then turned to a suite of CWA priorities including the Waters of the U.S. (WOTUS) replacement rule, groundwater permitting and compensatory mitigations. Ms. McHale detailed NMA's litigation efforts to defend the WOTUS replacement rule's narrowing the scope of waters that are federally regulated under the CWA, designed to result in fewer jurisdictional waters and therefore fewer permitting obligations. Next, she addressed NMA's approach to provide more regulatory certainty regarding they types of discharges to groundwater that require CWA permits in light of a recent U.S. Supreme Court decision that exacerbated existing regulatory uncertainty. Noting that the Court invited EPA to clarify their ruling through guidance, NMA began working with a broad industry coalition to align on and advocate a position with EPA, including near-term guidance and a longer-term rulemaking effort. Finally, she provided an update on two favorable developments related to reform of EPA and Army Corps' compensatory mitigation regulations – the Corps' efforts to draft mining-specific guidance that recognizes the temporary nature of mining impacts and a broader upcoming joint EPA/Corps rulemaking to more formally reform the existing 2008 compensatory mitigation rule.

Ms. Bridgeford then turned to two priority EPA National Ambient Air Quality Standards rulemakings related to particulate matter (PM) and ozone. She reported that EPA recently proposed to retain the fine and coarse PM standards, resisting considerable pressure to significantly reduce the fine PM standard. She added that EPA's proposed decision on the ozone standard is also currently undergoing interagency review but we expect EPA will propose to retain those standards as well.

Veronika Shime provided an update and perspective on the ever-evolving trade agenda. She noted the ongoing trade volatility had been compounded with COVID restrictions and retaliatory nationalistic trade policies, disrupting supply chains and increased uncertainty and risk for many sectors. Additionally, she highlighted the association's engagement with the U.S. Trade Representative on implementation of the China Phase 1 deal to ensure member commodities are procured and to advocate for more inclusion

and longer time frames moving forward. Finally, she focused on the importance of continued engagement on several key trade agreements, like Kenya, that will be used as templates for future agreements.

Ms. Shime also discussed the latest developments related to the global tailings review (GTR) convened by the International Council of Mining and Metals, Principles for Responsible Investment, and the United Nations Environmental Program. She indicated the GTR would be launched in the upcoming months and highlighted NMA's efforts to ensure regulators and other sustainability frameworks do not move forward with their own tailings initiatives to avoid duplication and reduce overall reporting burden.

Ryan Jackson shifted to the next section of the association report focusing on the current political outlook, particularly in light of the upcoming 2020 presidential race. He noted that much of the presidential contest has taken shape and will likely be defined by the economy during COVID. After discussing potential House and Senate outcomes, he indicated election politics will make legislative compromises difficult for the remainder of 2020. Mr. Jackson concluded the political outlook with a discussion of the importance of the PAC as an association tool to support pro-mining candidates.

Rich Nolan concluded the association report by thanking the members for their continued engagement and emphasizing the tools in place to maintain our momentum and to defend our successes.

VIII. Adjournment

At the conclusion of the meeting, Chairman Baker announced that the next meeting will be held virtually in Fall 2020, with dates to be determined. There being no further business, the meeting was adjourned at 2:45 p.m.