



Division of Ecological and Water Resources
Division of Lands and Minerals
500 Lafayette Road
St. Paul, MN 55155

June 26, 2024

Ms. Andrea Hayden, Section Manager, Environmental Services
Cleveland-Cliffs, Inc.
Northshore Mining Company
10 Outer Drive
Silver Bay, MN 55614

RE: Master Permit Renewal and Five-Year Operations Plan Approval, Years 2024-2028, Milepost 7 Tailings Basin (Conditional), Northshore Mining Company and Cleveland-Cliffs, Inc.

Dear Ms. Hayden,

Thank you for the submission on June 3, 2024, of Northshore Mining Company's "Operational and Engineering Design Plan, in conformity to Milepost 7 Master Permit, Years 2024 to 2028," dated May 2024 (Operations Plan) for the Milepost 7 Tailings Disposal Facility (Milepost 7 Basin). The May 2024 Operations Plan was submitted as a revision to the version of the Operations Plan submitted on November 10, 2023.

Based on review by Department of Natural Resources' (DNR) staff, the DNR hereby conditionally renews the Master Permit through December 31, 2028 and approves the Operations Plan for continued operations at the Milepost 7 Basin so long as those operations are consistent with the 2024-2028 Operations Plan. The renewal of the Master Permit is conditioned upon the following:

- Submittal of an updated Emergency Action Plan (EAP) prior to any raise of Dam 1 or Dam 2 above elevation 1260 feet. The updated EAP shall account for anticipated conditions of the tailings storage facility in the year 2033. The EAP contact list is recommended to be updated and reported to DNR annually.
- Submittal of a separate, complete Closure Plan by October 30, 2024, as described in the Master Permit. A revised Closure Plan, if needed based on DNR review, must be submitted within 60 days of receipt of DNR comments. A final Closure Plan must be approved by DNR.
- Submittal of an Annual Dam Safety report by March 31 of each year. The Annual Dam Safety Report is to include confirmation of data logger installation and associated data for Dam 1 and Dam 2. The Annual Dam Safety report must also include a detailed accounting of any

changes to the plans or construction based on the review of the NPDES application or otherwise. Note that changes may result in a need to amend or modify the Operations Plan.

- Submittal of an updated geotechnical report for dam elevations up to 1265 feet and 1270 feet for Dam 1 and Dam 2, respectively, to be included with the next Annual Dam Safety report due March 31, 2025. In addition to slope stability, the geotechnical report must include an updated seepage analysis and show how the factors of safety for heave and critical exit gradient will meet U.S. Army Corps of Engineers standards for high hazard dams. Note that further review will occur upon submittal of the updated geotechnical report.
- Submittal of a revised Permit to Mine Application for Amendment that has been determined to represent a substantial change amendment. Submittal of the revised application and subsequent review and decision by the DNR to occur no later than December 15, 2024. Note that a decision will also require an updated cost estimate for Milepost 7 Basin reclamation and updating associated financial assurance instruments in a form and amount acceptable to the Commissioner of DNR.

This approval also satisfies the requirements of the May 3, 2024, Wetland Conservation Act Decision condition #1.

All other obligations and requirements of the Milepost 7 Master Permit remain in effect. The next Operations Plan must be submitted to the DNR no later than June 30, 2028, to provide the DNR adequate time to review the Operations Plan in advance of the Master Permit expiration date of December 31, 2028.

If you have any questions, please contact Jason Boyle (651-259-5715 at jason.boyle@state.mn.us) or Jennifer Engstrom (651-259-5385 or jennifer.engstrom@state.mn.us).

Sincerely,

Melissa Kuskie
Assistant Division Director
Division of Ecological and Water Resources

Joseph Henderson
Director
Division of Lands and Minerals

Cc: Jennifer Engstrom, DNR LAM
Jason Boyle, DNR EWR
Sarah Remer, MPCA
Paul Carlson, Northshore Mining Company
Dean Korri, Northshore Mining Company
Jason Aagenes, Cleveland-Cliffs, Inc.