

Department of Agriculture and Natural Resources  
Minerals and Mining Program  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3182  
Telephone: 605 773-4201; Fax: 605 773-5286

RECEIVED  
MAR 25 2024

TEMPORARY CESSATION OF MINING PERMIT

Pursuant to SDCL 45-6B and ARSD 74:29:09 relating to mining operations in a state of temporary cessation in which 180 days have elapsed during which no production occurred.

MINERALS & MINING PROGRAM

Mine permit number: 467  
Operator: PACER MINERALS LLC  
Address: 25429 US HWY 385  
CUSTER SD 57730-9147  
Telephone number: (605) 673-4419  
Township/Range: T2S-R4E  
Legal description: SW1/4 & S1/2 NW1/4 Section 28; T2S-R4E

Name and address of Resident Agent if you are an out-of-state corporation:

County: Custer

Name and address of surface owner:  
USFS Hell Canyon Ranger District  
1019 N. 5th Street  
Custer SD 57730

Name and address of mineral owner:  
Pacer Minerals LLC  
25429 US Hwy 385  
Custer, SD 57730

Date of cessation of production:  
November 1, 2023

Reasons for non-production:

Evidence that shows mineral reserves remain:  
Mines are still in an active state to restart operations  
Stock Piles of ore still remain

INSTRUCTIONS:

This temporary cessation must include:

1. A plan for the resumption of mining activities.
2. A narrative description of measures to be taken to comply with the concurrent, interim, and final reclamation requirements of ARSD 74:29:08.
3. A narrative description of measures to be taken to maintain the site and limit access during the period of temporary cessation as required by ARSD 74:29:09:03.
4. A statement concerning the existing condition of the affected land and reclamation activities which have already been completed.
5. Proof of consultation with the surface landowner if different from the mineral owner.

I, Ryan Fredsall request temporary cessation of mining permit 467 for the reasons stated above.  
Signature of Present Operator

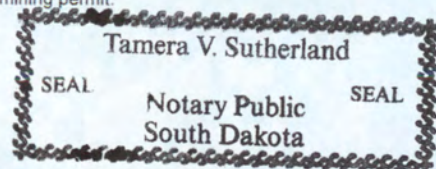
General Manager Title Date: 3/22/24

STATE OF South Dakota  
COUNTY OF Custer

On this 22nd day of March, 2024 before me personally appeared Ryan Fredsall  
Present Operator

who acknowledged that he is authorized to execute the temporary cessation of this mining permit.  
Tamera V. Sutherland  
Notary Public

My Commission Expires: 11/8/25



FOR DEPARTMENT USE ONLY

This Temporary Cessation is hereby \_\_\_\_\_ approved \_\_\_\_\_ denied by the South Dakota Board of Minerals and Environment as recommended by the Department of Agriculture and Natural Resources.

\_\_\_\_\_  
Chairman, SD Board of Minerals and Environment/  
Secretary, Department of Agriculture and Natural Resources

Mine Permit number: 467

Date Approved: \_\_\_\_\_

Intervenor Contest Date: \_\_\_\_\_



1.800.568.2432 info@pacerminerals.com www.pacerminerals.com

25429 US Highway 385, Custer, SD 57730

ISO 9001:2008/14001:2004

Temporary Cessation of Mining Permit

Permit # 467

Pacer Minerals, LLC.

25429 US Highway 385

Custer, SD. 55730

1. Currently Pacer Minerals, LLC is in the process of being sold. There is not a firm timeline as to when operations will resume, but it is anticipated that it will be sometime in the first quarter of 2025.
2. The mines are inspected routinely by Pacer's remaining personnel. Items inspected are berms, sediment ponds, erosion. Any items issues found are addressed in a timely manner.
3. All mines are gated and have a lock. The mines are checked weekly to ensure that the sites remain secure.
4. Mining operations ceased in November 2024. Mine roads were blocked to limit access. There are currently several stockpiles of ore. To this point there have been no reclamation activities. The USFS has been notified that operations have been idled. Pacer is in contact with the USFS routinely and at this point reclamation activities do not need to commence.
5. See attachment that the USFS has been notified.

**Below added per Eric Holm:**

1. Please describe how the sediment ponds will be monitored and how any accumulated sediment will be removed during the period of temporary cessation.
  - **The sediment pond is monitored on a routine basis. Accumulated material will be removed from the pond via excavator and placed in the mine tailings.**
2. Please describe how trash and other waste that accumulates at the mine during the period of temporary cessation will be removed and disposed of.
  - **Any trash or other waste will be removed and disposed of at the Pacer Minerals Plant.**
3. Since noxious weeds such as canada thistle and black henbane have been noted at the mine, please explain how these and other noxious weeds will be controlled during the period of temporary cessation.
  - **Pacer will bring in a weed spraying contractor on a routine basis like what has been done in the past.**
4. Please discuss whether all chemicals, petroleum products, and explosives have been removed from the mine and disposed of or if these items have been stored in a secure facility.



1.800.568.2432

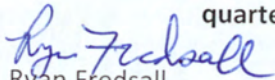
info@pacerminerals.com

www.pacerminerals.com

25429 US Highway 385, Custer, SD 57730

ISO 9001:2008/14001:2004

- All chemicals and petroleum products have been removed for the 4 mines (Brite-X, White Elephant, Virginia, and Pink Monster). The only remaining equipment that remains is at the Brite-X, which includes an excavator and crusher. All other mines have no equipment or storage buildings at them at this point.
6. Please describe how fire protection will be maintained during the period of temporary cessation.
    - The mines are visited on a regular basis by Pacer's remaining personnel. As mentioned above all trash, chemicals, and petroleum products have been removed from the mines.
  7. Please describe the equipment, tools and power that will be available to conduct maintenance at the mine during the period of temporary cessation.
    - All mobile equipment is back at the Pacer Plant. Equipment can be mobilized to the mines as needed for repairs or maintenance.
  8. Pacer is required to collect quarterly surface water samples along tenderfoot Creek and a pond at the mine. Please describe how these samples will be collected and analyzed during the period of temporary cessation.
    - The water quality samples will continue to be collected by Pacer personnel on a quarterly basis as has been done in the past.

 3/22/24

Ryan Fredsall

General Manager

Pacer Minerals, LLC.



1.800.568.2432

[info@pacerminerals.com](mailto:info@pacerminerals.com)

[www.pacerminerals.com](http://www.pacerminerals.com)

25429 US Highway 385, Custer, SD 57730

ISO 9001:2008/14001:2004

November 27, 2023

Attn:

Jonathan Manning, EIT

Geological Engineer

US Forest Service

Black Hills National Forest

To Jonathan,

As a follow-up to the conversation we had, Pacer Minerals, LLC will be suspending operations for the near future, effective November 1, 2023. At this time, we are evaluating the business to determine a path forward for the company. Once a decision has been made about the future of the company, we will send you a notification.

Best regards,

Ryan Fredsall

General Manager

Pacer Minerals, LLC

C: 828.385.6210

Email: [ryan@pacerminerals.com](mailto:ryan@pacerminerals.com)