

Selenium Remediation

Facts about the selenium remediation effort underway at Smoky Canyon.

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WHAT IS SIMPLOT DOING ABOUT SELENIUM CONTAMINATION?

- In 2002 Simplot voluntarily entered into a legally binding agreement with the State and Federal government agreeing to investigate the release or the threat of release of any hazardous substances from phosphate mining at Smoky Canyon Mine. This agreement required Simplot to develop a range of response action alternatives to prevent the release of any hazardous substances identified in a site investigation.
- To date Simplot has completed an extensive site investigation which characterized and investigated potential areas of contamination at the inactive portions of the Smoky Canyon Mine. The investigation also identified alternatives for potential remedies for areas where elevated selenium in water or vegetation exist. The site investigation was reviewed and accepted by the Forest Service as well as all the cooperating state and federal agencies. The proposed actions were also evaluated by the agencies for implementability, effectiveness, and cost.
- The Forest Service requested public comment on the proposed remedies on May 28, 2006 and again on June 8, 2006.
- In the winter of 2006, Simplot entered into an agreement with the Forest Service, EPA, and IDEQ requiring Simplot to implement the removal actions selected by the Forest Service. Those actions will address the movement of selenium from Pole Canyon Creek and runoff from the surrounding landscape.
- Simplot has posted a \$2.9 million bond to guarantee its performance of the work according to approved plans.
- Because the removal actions selected by the Forest Service isolate overburden with selenium from the water of Pole Canyon Creek, the selenium concentrations in the creek, as well as the underlying shallow and deep aquifers, are predicted to drop selenium concentrations in surface water below regulatory standards.
- To date Simplot has spent millions of dollars towards the remediation of the historic portion of Smoky Canyon Mine. The Company is committed to meeting

its regulatory obligations as well as upholding the company's written policy of environmental stewardship.

- For the extension of the Smoky Canyon Mine, Simplot has proposed a protective cover system that goes beyond what is predicted to be necessary to help eliminate the potential risk of selenium.