# Record of Categorical Exclusion for
## Empire State Mines Equipment Project

**Description of Categorically Excluded Action:**
The Export-Import Bank of the United States ("EXIM") is considering whether to issue a direct loan under the Make More in America initiative to Empire State Mines ("ESM" or "the Company") for mining zinc from an existing underground mine in St. Lawrence County, New York. This loan would finance equipment installation and infrastructure enhancements within an existing underground mine, for the express purpose of upgrading and modernizing the zinc mine, separate from ESM's future graphite mine.

The purpose of the Make More in America Initiative is to finance domestic projects and facility upgrades in the United States that directly support U.S. jobs through exports.

**Project Description:**
The Project involves the procurement, installation, and commissioning of mining equipment and infrastructure improvements in a previously prepared and operated mine footprint at 408 Sylvia Lake Rd., Gouverneur, NY 13642. ESM restarted mining operations in early 2018 but the Balmat area has a mining history of over 85 years. The EXIM direct loan to ESM will be used on equipment and infrastructure improvements, including, but not limited to, crusher, ventilation, transformer and shaft feeder upgrades and mill re-lining.

The proposed funds will be used to purchase equipment, which will improve ESM's efficiency in mining zinc within its existing permits and mine plan to meet customer demand. The zinc will be exported to smelters in Canada. With this new equipment and infrastructure improvements, the proposed direct loan is expected to support the creation of 10 high-quality U.S. jobs at Empire State Mines.

EXIM determined that the ESM Equipment Project transaction is not an undertaking under the National Historic Preservation Act and that Section 106 consultation is *not* required.

The environmental and social screening determined that the actions associated with the direct loan carry minimal potential for adverse effects to any physical, biological, or socio-cultural resources at or in the vicinity of the facility. No additional permits were required for the mining infrastructure and equipment for which the EXIM loan proceeds apply.

**Number and Title of Categorical Exclusion:**
The actions that would be taken pursuant to the proposed direct loan for the ESM equipment are consistent with, and are covered by, the Tennessee Valley Authority categorical exclusions 49 and 50, adopted by EXIM. The text of the categorical exclusions are as follows:

49. Financial assistance including, but not limited to, approving and administering grants, loans and rebates for the renovation or minor upgrading of existing facilities, established or developing industrial parks, or existing infrastructure; the extension of infrastructure; geotechnical boring; and construction of commercial and light industrial buildings. Generally, such assistance

supports actions that physically disturb no more than 10 acres of land not previously disturbed by human activity or no more than 25 acres of land so disturbed.

50. Financial assistance for the following actions: Approving and administering grants, loans and rebates for continued operations or purchase of existing facilities and infrastructure for uses substantially the same as the current use; purchasing, installing, and replacing equipment or machinery at existing facilities; and completing engineering designs, architectural drawings, surveys, and site assessments (except when tree clearing, geotechnical boring, or other land disturbance would occur).

**Regulatory Requirement**
The proposed direct loan and related actions described above were subject to environmental and social screening by EXIM Staff to ensure they are consistent with the specific category of actions contained in the categorical exclusion adopted by EXIM, including the extraordinary circumstances of 18 CFR 1318.201. To ensure the requirements of the categorical exclusion were met, EXIM's Engineering and Environment Division staff reviewed numerous project related documents between March 2025 and May 2025 and participated in several calls with ESM staff to better understand the scope of work and the equipment and infrastructure modernization.

The Comment section below is provided for any necessary clarifications concerning the details listed above. Signature by ESM's designated representative in the Corporate Validation Section is an indication of ESM's material concurrence with the details described in this memorandum and in the determination presented below.

**Comment:**__________________________________________________

**Corporate Validation:**
Name and Title
(Print): RITA ADIANI, PRESIDENT

Signature: ________________ Date: 6/4/2025

**Determination:**
Based on review of information submitted and in the possession of EXIM Bank concerning the actions associated with the proposed MMIA direct loan described above, I have determined that the actions involve no extraordinary circumstances and fit within the specified category of actions in categorical exclusions 49 and 50 adopted by EXIM described above, and are hereby categorically excluded from further review under the National Environmental Policy Act (42 USC 4321, as amended).

Signature: M. Tiffin Caverly Digitally signed by M. Tiffin Caverly Date: 2025.06.04 16:01:19 -04'00' Date: 6/4/2025

M. Tiffin Caverly
VP, Engineering & Environment