

BEFORE THE FEDERAL ELECTION COMMISSION

YES FOR RESPONSIBLE MINING

P.O. Box 174

Harrison, MT 59735

(406) 599-1022

v.

MUR # 7523

2018 OCT 22 PM 12:26

OFFICE OF
GENERAL COUNSEL

SANDFIRE RESOURCES, NL

Level 2, 10 Kings Park Road

West Perth, Western Australia 6005

61-8-6430-3800

SANDFIRE RESOURCES AMERICA

10th Floor 595 Howe Street

Vancouver, BC

Canada V6C2T5

604-628-1162

STOP I-186 TO PROTECT MINERS AND JOBS

P.O. Box 1585 | Helena, Montana 59624

MONTANA MINING ASSOCIATION

Montana Mining Association

P.O. Box 1026

Whitehall, Montana 59759

(406) 287-3012

Complaint

1. This complaint is filed pursuant to 52 U.S.C. §30109(a)(1) and is based on information and belief that Sandfire Resources, the Montana Mining Association, and the political committee known as Stop I-186 to Protect Miners and Jobs are using foreign contributions to promote the interests of an Australian corporation and its Canadian subsidiary by influencing a Montana ballot initiative, in violation of the Federal Election Campaign Act, 52 U.S.C. §§ 30101 et seq.
2. Specifically, based on reports filed with the Montana Commissioner of Political Practices, the complainants have reason to believe that Sandfire Resources, an Australian

corporation that is a “foreign national” as defined in 52 U.S.C. § 30121(b)(1), has made significant contributions to the Montana Mining Association and the Committee to Stop I-186 to protect Miners and Jobs, for the purpose of funding an advertising and media campaign to oppose I-186, a Montana ballot measure that will appear before the voters in the November 2018 election. These payments are in violation of 52 U.S.C. § 30121(a)(1).

3. In addition, the complainants have reason to believe the Montana Mining Association and Stop I-186 to protect Miners and Jobs knowingly accepted these contributions from a foreign national, in violation of 52 U.S.C. § 30121(a)(2).

Facts

4. In November, Montana voters will vote on I-186, a ballot initiative that will increase the state’s ability to deny permits for hardrock mines that require perpetual treatment to avoid polluting the state’s waters. I-186 does not impact existing mining operations, or amendments to those mining operations. Only new mines permitted after November 6, 2018 will fall under the new law.

5. Sandfire Resources NL is an Australian mining and exploration company that is registered in West Perth, Australia, which is its principal place of business. The company is listed on the Australian Securities Exchange.

6. Sandfire Resources America, Inc. is a subsidiary of Sandfire Resources NL. It is incorporated under the laws of British Columbia, Canada, and is headquartered in Vancouver, Canada.

7. Sandfire Resources NL, through its Canadian subsidiary Sandfire Resources America, holds a 78.1% interest in the Black Butte Copper Project, whose purpose is to develop a high-grade copper deposit located in central Montana near the Smith River, one of the state’s most

popular destinations for outdoor recreation. The Black Butte Copper Project does not yet have a hardrock mining permit from the state of Montana, and is not expected to have one prior to November 6, 2018.

8. The Black Butte deposit is a high-sulfide ore body, making it likely that any mining operation at the site would require perpetual treatment to avoid polluting waters in the surrounding area. Therefore, the Black Butte Copper Project would be directly affected by I-186.

9. On April 1, and June 1, 2018, Sandfire America made contributions totaling \$270,000 to the Montana Mining Association, for the express purpose of supporting the campaign in opposition to I-186.

10. The Montana Mining Association passed Sandfire America's contributions, bundled with others totaling \$1,929,711 through to "Stop I-186 to Protect Miners and Jobs," a political committee that was formed in May 2018 for the purpose of opposing I-186.

11. On April 4, 2018 Sandfire Resources America made a direct contribution of \$17,857 to Stop I-186 to Protect Miners and Jobs.

12. According to its public filings, Sandfire Resources America has no sources of revenue in the United States, and a cash flow of zero. The source of the contributions intended to influence the voters' decision on I-186 in the November 2018 election is the Australian parent company, Sandfire Resources NL.

**First Cause of Action – Illegal Contributions by Foreign Nationals
in Connection With a State Election**

13. Federal law prohibits a foreign national from directly or indirectly making a contribution in connection with a federal, state, or local election. 52 U.S.C. § 30121(a)(1).

14. “Foreign national” is defined to include “a . . . corporation . . . organized under the laws of or having its principal place of business in a foreign country.” 52 U.S.C. §30121(b)(1); 22 U.S.C. § 611(b)(3).

15. Sandfire Resources NL and its subsidiary Sandfire Resources America are “foreign nationals” as defined by FECA.

16. By contributing more than \$285,000 to the campaign against I-186 in connection with the November 2018 Montana election, Sandfire Resources NL and Sandfire Resources America acted in direct violation of 52 U.S.C. § 30121(a)(1), which prohibits the use of foreign money to influence elections in the United States, and is a crucial safeguard protecting the integrity of American democracy.

**Second Cause of Action – Illegal Acceptance of
Contributions From a Foreign National**

17. Federal law makes it illegal for any person to solicit, accept, or receive a contribution or donation from a foreign national in connection with a federal, state, or local election. 52 U.S.C. § 30121(a)(1).

18. The Montana Mining Association and Stop I-186 to Protect Miners and Jobs are both registered with the Commissioner of Political Practices as ballot issue committees in opposition to I-186.

19. By knowingly accepting contributions from foreign nationals Sandfire Resources NL and Sandfire Resources America, the Montana Mining Association and Stop I-186 to Protect Miners and Jobs acted in direct violation of 52 U.S.C. § 30121(a)(1), which prohibits the use of foreign money to influence elections in the United States, and is a crucial safeguard protecting the integrity of American democracy.

Request for Relief

20. Based on the foregoing, the Commission should find reason to believe that Sandfire Resources NL, Sandfire America, the Montana Mining Association, and Stop I-186 to Protect Miners and Jobs have violated the Federal Election Campaign Act, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2). In addition, the Commission should impose appropriate sanctions for any and all violations, should enjoin the respondents from all future violations, and should impose such additional remedies as necessary to ensure compliance with the law.

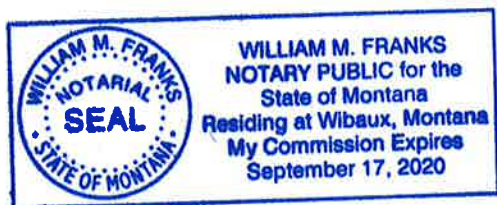
We declare under penalty of perjury that the foregoing is true and correct to the best of our knowledge.

October 15, 2018


Tom Reed


David Brooks

Co-chairs, Yes for Responsible Mining



Dtd: 10-15-2018

William M. Franks

STATE OF MT County of MISSOULA.
Sworn + Signed before me on 10/16/2018 by
David Brooks.


KRISTA JOHNSTON

