

Donlin Gold Project EIS

Southcentral Federal Subsistence Regional Advisory Council

Presentation regarding the Donlin Gold Project EIS

March 13, 2014

Project Team Attendees:

Don Kuhle, U.S. Army Corps of Engineers

Donne Fleagle, URS Rural Liaison

Kim Varner Wetzell, URS Public Involvement Lead

Jennifer E Anderson, URS (Former ANSEP Intern)

Overview:

The Donlin Gold Project EIS presentation was given on Thursday, March 13, 2014 in Anchorage, Alaska. Donald Mike, the Coordinator for Southcentral Regional Advisory Council (RAC), moderated the session. The Chair was Ralph Lohse.

Don Kuhle presented an update on the Donlin Gold Project EIS, including a summary of the project components, results from scoping, alternatives under analysis, and an overview of the EIS process using a Power Point presentation. He answered questions during and after the presentation.

Issues Raised:

Andrew McLaughlin: Did you receive a diversity of comments about subsistence [during scoping]?

Response: Yes. We are even having a special workshop in a couple weeks to discuss them.

Comments ranged from the potential for contamination to the lack of understanding about what's going on with King salmon, potential impacts from barge traffic, whether the pipeline or port road would restrict access by residents, or if there would be increased access for outsiders. Just about every aspect of subsistence came up.

Judith Caminer: Is the gas pipeline dependent on a North Slope pipeline or is there adequate Cook Inlet natural gas to support it.

Response: Donlin is going to purchase the gas on the open market [whether from Cook Inlet or another source]. It would be a "common carrier" line with the initial purpose of serving the Donlin project. However, others could pay to transport gas through the line.

Judith Caminer: The neighbor Pebble has attracted a lot more attention. EPA has said this mine is just too sensitive to do; particularly because it is near heavy salmon use. Is Donlin suggesting something different than the proposed Pebble Mine?

Response: EPA is heavily involved in the Donlin Gold EIS project. We have asked ourselves why this EIS isn't getting the attention, but we do not have an answer for that question. EPA has not indicated that they would take special actions.

James Showalter: What are the two international mining companies?

Response: Donlin Gold is jointly owned by the mining companies Barrick Gold and Nova Gold.

Andrew McLaughlin: Crooked Creek is very close to Red Devil which was a former mercury mine. There must be a lot of mercury, right? Don't mining companies try to extract other valuable minerals while they are extracting the gold like probably silver or mercury?

Response: The project plan says that mercury is to be shipped offsite in approved containers as a byproduct. I think they are disposing it, not selling it. The proposal does not discuss the economics of mercury.

Andrew McLaughlin: The diagram of the mine site looks like a decent size dam. Does the watershed [that the mine sits in] run into the Kuskokwim River?

Response: The dam prevents flow from the tailings storage facility into Crooked Creek which would drain into the Kuskokwim River. [Don also briefly mentioned the waste rock facility and lower contact water pond.]

Andrew McLaughlin: What about the liquid slurry?

Response: Donlin proposes a zero discharge project. None of the contact water would leave the site. Ultimately the pit would become a lake (1,800 feet deep). Contaminated water is heavy and sinks to the bottom, so the water on top is much cleaner. We heard comments about earthquakes that could shake-up the lake, but the storage facility is designed for that. There is also financial bonding assurance. The tailings storage facility would be reclaimed after the mine is closed, and would look like a vegetation covered hill.

Andrew McLaughlin: What is the country rock? Is it semi-porous?

Response: I do not know exactly, but the pit would have some seepage into it during operations.

What is the scale of this mine compared to Pebble?

Response: I would be guessing at the exact comparison, but it is much smaller.

Judith Caminer: What would be the final product?

Response: Gold dore bars that would be flown out. It would not be like Red Dog Mine where an ore concentrate is shipped off to a refinery.

Andrew McLaughlin: Does the mercury come back out on barges?

Response: Yes, the mercury is either flown out or travels by water.

Unknown Commenter: The Donlin Gold Project could have as big or bigger impact on subsistence compared to the Pebble project. However, the Pebble Project is a world-class food

source while the Kuskokwim River resources are not world-class except as viewed by the subsistence users.

Gloria Stickwan: What is the estimate of the gold? How much is that in dollars?

Response: 30 million ounces. The price varies per day.

Chair's Response: The proposal would be to extract 1 million ounces a year which would be about \$1.3 billion/year [using today's price of \$1,300/oz].

Carl Johnson (Kodiak/Aleutians RAC Coordinator): Three of us from the Office of Subsistence Management work with the U.S. Fish & Wildlife Service (USFWS) providing comments as a cooperating agency to the Donlin Gold EIS. We are available to provide information to USFWS and back to the Southcentral RAC.