From: Sarah Obed
To: donlingoldeis, POA

Subject: [EXTERNAL] Donlin Gold Draft EIS comment Date: Monday, April 25, 2016 8:59:10 AM

Attachments: <u>image001.png</u>

Doyon Support for Donlin EIS FINAL 4.25.2016.pdf

Please see attached for Doyon's comments on Donlin EIS.

Sarah E. Obed VP of External Affairs

Doyon, Limited

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April 25, 2016

Mr. Keith Gordon, Project Manager U.S. Army Corps of Engineers, Alaska District P.O. Box 6898 IBER, Alaska 99506-0898

Attn: CEPOA-RD-Gordon

Submitted via email to: <u>POA.donlingoldeis@usace.army.mil</u>

Dear Mr. Gordon,

Thank you for providing Doyon, Limited ("Doyon") the opportunity to submit the following comments in response to the Donlin Gold Project Environmental Impact Statement ("EIS") process. This environmental review process is a matter of substantial importance to Doyon and its shareholders.

Doyon is one of the thirteen Native regional corporations established by Congress under the terms of the Alaska Native Claims Settlement Act ("ANCSA"), Pub. L. No. 92-203, 85 Stat. 688 (1971), as amended. Headquartered in Fairbanks, Doyon has more than 19,500 shareholders. Doyon is the largest private landowner in Alaska, with a land entitlement under ANCSA of more than 12.5 million acres. Doyon's lands extend from the Brooks Range in the north to the Alaska Range in the south. The Alaska-Canada border forms the eastern border and the western portion almost reaches the Norton Sound.

Doyon's mission is to continually enhance its position as a financially strong Native corporation in order to promote the economic and social well-being of its shareholders and future shareholders, to strengthen its Native way of life, and to protect and enhance its land and resources.

The successful development of Donlin Mine is critically important to Doyon and its shareholders. Under the revenue-sharing provisions of section 7(i) of ANCSA, Doyon and its shareholders, and Alaska Natives throughout the State of Alaska, will share significantly in the economic benefits of the project. By way of example, in fiscal year 2014, NANA Regional Corporation reported received \$143.2 million in net proceeds from the Red Dog Mine and distributed \$93.7 million to other Alaska Native Corporations, Kikiktargruk Inupiat Corporation ("KIC"), and at-large shareholders. Since 1989, NANA has paid more than \$705.5 million to other regions, KIC, and at-large stakeholders under sections 7(i) and 7(j) of ANCSA. The Economic Benefits of Alaska's Mining Industry, Alaska Miners

Association, Inc., January 2015, available at: http://www.agcak.org/NewsTidbits/MiningEconomicImpactBrochure4-3-15.pdf.

In enacting ANCSA, Congress highlighted the need to "provide for the real economic and social needs of Natives ... with maximum participation by Natives in decisions affecting their rights and property." Alaska Native Corporations are for profit corporations, whose purpose is to provide benefits to Alaska Native shareholders. As the Ninth Circuit Court of Appeals has recognized, "Congress intended...that those Native corporations that did select land for its economic potential would be able to develop that land and to realize that potential".

Under ANCSA, Alaska Natives gave up claims to aboriginal lands in exchange for rights to select land in their traditional areas. Whereas most of Calista Corporation's lands were selected by the village corporations for subsistence resources, Calista and The Kuskokwim Corporation (TKC) selected Donlin Creek lands specifically for their mineral endowment and the potential to generate economic opportunities and employment in the region, together with other perceived benefits to Calista and TKC shareholders.

The Donlin project is expected to make substantial long-term contributions to the regional economy. During the projected 4-year construction period, a workforce of more than 3,000 would draw a collective annual payroll of roughly \$375 million. During 27 plus years of operation, an average of approximately 900 (year-round) employees would receive a direct payroll of about \$100 million per year. Additionally, an estimated \$60 million of indirect and induced payroll would be generated (McDowell Group, 2012).

In closing, Doyon, Limited states support for Alternative 2 – "Donlin Gold's Proposed Action" of the Donlin Creek EIS to develop a goldmine in Southwest Alaska on land leased from Calista Corporation, an ANCSA corporation, as well as to develop the affiliated access road, natural gas pipeline, and other affiliated infrastructure.

Sincerely,

Aaron M. Schutt President & CEO

Doyon, Limited