

Mailing Address
 STATE OF ALASKA
 Dept. of Natural Resources
 Division of Mining, Land & Water
 550 W. 7th Ave., Suite 900
 Anchorage, AK 99501-3577

 ATTN: Mineral Property Mgt
 907-269-8652

Due Date: May 1, 2009

Delivery Address
 Dept. of Natural Resources
 Division of Mining Land & Water
 550 W. 7th Ave., Suite 900B
 Anchorage, Alaska 99501-3577
 or
 3700 Airport Way
 Fairbanks, Alaska 99709

**STATE OF ALASKA
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF MINING, LAND AND WATER**

Notice: If you filed an APMA and received a Mining Permit and Mining License in 2008, but did not mine, you may complete the "Miner and Owner" blocks below, and check here _____. If other mining records indicate that you did mine on state land in 2008, you must fill out this entire form, otherwise your claims are at risk of being abandoned under law AS 38.05.265.

Section I

**PRODUCTION ROYALTY ON LOCATABLE MINERALS
 Authority AS 38.05.212**

"MINER, FILER or HOLDER" INFORMATION

Calendar Year: 2008	Name (Individual or Firm):	Type of Business or Company (e.g. sole proprietorship, partnership, corporation, joint venture, etc.):				
Mailing Address:	City	State	Zip Code	Telephone Number:	Mining License #:	APMA Number:
Name & Address of Person Completing Return, if Different.						

LEGAL OWNER OF RECORD, IF DIFFERENT

Claim Owner's Name (Legal "owner of record"):	Telephone Number:
Mailing Address:	

LAND INFORMATION (Attach additional sheets if necessary)

ADL Number(s), Claim Name(s) and Legal Description from which mining took place.		
ADL No.	Claim Name	Legal Description (include meridian, township, range, section and quarter section for each claim)

NOTICE: Was a mining license tax return filed with the Department of Revenue for 2008? YES NO
 If you answered NO above, were minerals mined and produced for this calendar year? YES NO

Calculation of Production Royalty

INSTRUCTIONS: If you mined or sold produced minerals in 2008, or were in the development stage for future mining, **you must** file a Mining License Tax return with the Department of Revenue by April 30, 2009. If you mined on state-owned land, you must also file a Production Royalty Statement with the Division of Mining, Land and Water by May 1, 2009. (An extension for up to 120 days may be granted if the written request is received by April 20, 2009.) Failure to timely file will result in a Decision to close the claims listed on your APMA.

Notice – If you filed an APMA and had a mining permit for mining claims on state land, plus other mining records indicate that you mined in 2008, you must fill out the information below, otherwise your claims are at risk of being abandoned under law AS 38.05.265.

SECTION I Continued

1. If you file your Mining License Tax return on a **calendar** year basis, and your income from mining operations is attributable only to minerals that you produced from state land or Mental Health Trust Land check here. -----
2. If your mining income is attributable to minerals that you produced only on state land, and if you **do not** file your Mining License Tax return on a calendar year basis, check here then complete the Mining License Tax Form 04-662 for the preceding **calendar** year. -----
3. If your mining income is attributable to minerals produced on both state land and non-state land, and you have segregated income, expenses, and deductions in accordance with 11 AAC 86.766, check here then complete the Mining License Tax Form 04-662 for the preceding **calendar** year, reporting only income, expenses, and deductions attributable to state land. -----

If you checked the box in paragraphs 2 or 3 a copy of Mining License Tax Form 04-662 must be submitted with this production royalty return. This submission does **not** relieve you of your obligation to file a completed Mining License Tax return with the Department of Revenue when due.

If you checked the box in paragraph 3, indicate which method you used to segregate income, expenses, and deductions and check the appropriate box to the right:

- a. separate or traced accounting of minerals, income, deductions, and expenses (11 AAC 86.766(b)) -----
- b. actual income with proportionate deductions and expenses (11 AAC 86.766(c)) -----
- c. apportionment of gross income, deductions, and expenses based on volume or tonnage (11 AAC 86.766(d)) -----
- d. other method approved by Division of Mining, Land and Water -----

4. If you checked a box on 1, 2, or 3 enter the Net Income from Mining Operation, line 5, Schedule A from Mining License Tax Form. If you have income from more than one mining operation, combine the net income values, including royalties. ----- \$ _____
5. Multiply line 4 by 3% (.03) ----- \$ _____
6. Enter rental credit for only those mining claims listed in section 1(11 AAC 86.760(3)) These are claims in production during the tax year. ----- \$ _____
7. Enter Exploration Incentive Credit from line 3 of your Mining License Tax Return. ----- \$ _____
8. Subtract lines 6 and 7 from line 5. If less than \$0, enter \$0 and enter on line 1 Section IV. ----- \$ _____

Section II

Gold Production Reporting Requirements

Authority 11 AAC 86.775

The Department of Natural Resources, Mining Section, is initiating a program to better record gold production in Alaska. Filling out the table below is now a requirement for maintaining your Miscellaneous Land Use Permit. The table should be filled out completely. (There will be some spaces which are clearly inapplicable to your mining operation. Fill in those spaces with n/a.) If you neither produced nor sold any gold in 2008 check the line below the table.

Commodity	Weight, oz/lbs	Payment Received	Year Produced
Gold Mined and Sold in 2008			N/A
Gold Sold in 2008, but produced in earlier years			
Gold mined in 2008, but not sold		N/A	N/A

Check here if no gold was either produced or sold in 2008. _____

Check here to keep the above information confidential. _____

I hereby attest that the foregoing information is complete and accurate.

Print Name: _____

Signature: _____ Date: _____

11 AAC 86.775 Books and Records. (In part) The holder must keep its books and records pertaining to mining income, expenses, and deductions for no less than six years after the calendar year to which they relate. Books and records for both mining on state land and mining in Alaska on non-state land must be kept as required by this section.

AS 27.05.050. Survey of Resources and Mining Operations and Dissemination of Information.

The department shall conduct a continuing survey of the mineral resources and mining operations of the state and shall disseminate information regarding them to assist prospectors and miners, safeguard the lives and health of miners, protect investors in the mining industry, and foster and promote the best interests of the mining, mineral, and related industries of the state.

Section III

PRODUCTION ROYALTY ON ROYALTIES RECEIVED FROM MINES AND MINING Authority AS 38.05.212

NOTE: Use this section to report gross income from royalties received from mining on state land.

INCOME FROM ROYALTIES. Enter the name and address of each individual or firm from whom royalties were received in. List all those royalties shown on Line 16 of Schedule E of the Mining License Tax form on royalties that were received for mining on state land.

	Name	Address	Royalties
1.			
2.			
3.			
4.			
5.	If more space is needed for additional names and addresses, attach a separate schedule and enter the total from that schedule here.		
6.	Total income from royalties (add lines 1 through 5).		

Section IV

1. Enter the total royalty due from Section I line 7. \$ _____

The amount on line 1 is the total production royalty due. Attach or enclose a check for this amount payable to the Alaska Department of Revenue. Mail or hand deliver completed forms to one of the addresses on the front.

I declare under penalty of perjury that this return has been completed or examined by me, and to the best of my knowledge and belief, it is a true, correct, and a complete return.

Signature of Royalty Payer or Agent	Title	Date
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