

FAIRBANKS GOLD MINING, INC.

A subsidiary of
KINROSS GOLD CORP.

June 27, 2006

Mr. Tom Crafford, Mining Section Chief
Alaska Department of Natural Resources
Division of Mining, Land & Water
550 West 7th Avenue, Suite 900B
Anchorage, AK 99501-3579

Mr. Luke Boles, Environmental Engineer Associate
Alaska Department of Environmental Conservation
Division of Water
610 University Avenue
Fairbanks, AK 99709

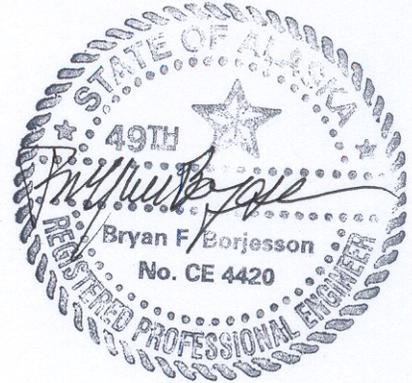
Gentlemen:

Fairbanks Gold Mining, Inc. (FGMI) has provided the following documents:

Fort Knox Reclamation and Closure Plan
Fort Knox Mine Tailing Facility Closure Plan
Fort Knox Mine Monitoring Plan
Fort Knox Walter Creek Valley Fill Project Description
*Fort Knox Mine Closure Management Plan for the Proposed Heap
Leach Facility*

These plans are submitted to the Alaska Department of Natural Resources in accordance with AS 27.19.010 *et. seq.* and 11 AAC 97.100 *et. seq.* The plans are provided to Alaska Department of Conservation (ADEC) and meet the requirements of 18 AAC 60.210 *et. seq.* Additionally, *The Fairbanks Gold Mining, Inc. Amended and Restated Millsite Lease* (ADL Nos. 414960 and 414961) and the *Fort Knox Upland Mining Lease* (ADL No. 535408) provide the authorization for FGMI's operations upon the property with the State of Alaska and the Mental Health Trust Land Office being the landowners.

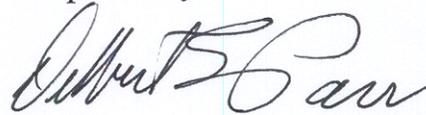
P.O. Box 73726, #1 Fort Knox Road, Fairbanks, Alaska 99707-3726 USA
Telephone: (907) 488-4653 Fax: (907) 490-2290



FGMI currently has two solid waste disposal permits issued by ADEC. Permit 0031-BA008 is for the Tailing Storage Facility (TSF) and Permit 9931-BA001 is for inert waste disposal. FGMI is requesting renewal of each of the permits with the two permits incorporated into one waste management permit. The information in the January 4, 1999 permit application for permit 9931-BA001 is still applicable as a basis for coverage of the inert waste disposal at Fort Knox, and a copy of the application is included with this letter. Also included with this letter is the January 2006 *Solid Waste Management Plan*. The June 2005 *Waste Disposal and Spill Reporting Procedures* will be updated prior to issuance of the renewed permit.

If you have any questions or comments, please contact me at your convenience. I can be called on my direct line at (907) 490-2207.

Respectfully,

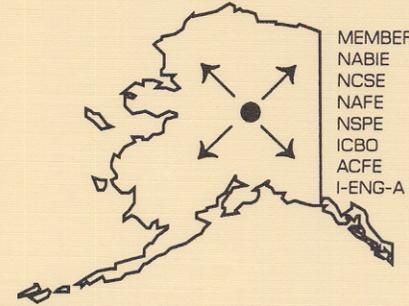
A handwritten signature in black ink, appearing to read "Delbert E. Parr". The signature is written in a cursive style with a large initial "D" and "P".

Delbert E. Parr
Environmental Manager

cc: Robert Taylor



BRYAN F. BORJESSON, PE
CONSULTING
CIVIL ENGINEER



BORJESSON CONSULTING ENGINEERS, INC.

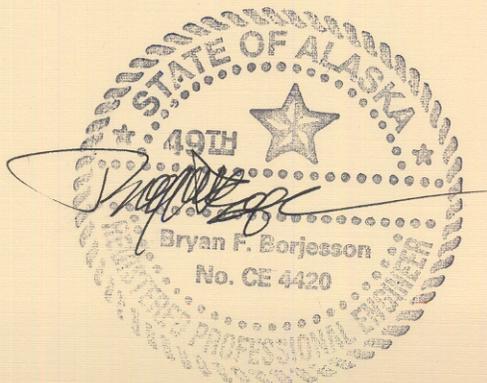
P. O. BOX 74715 • FAIRBANKS, ALASKA 99707 • (907) 451-4482 • FAX (907) 451-1948

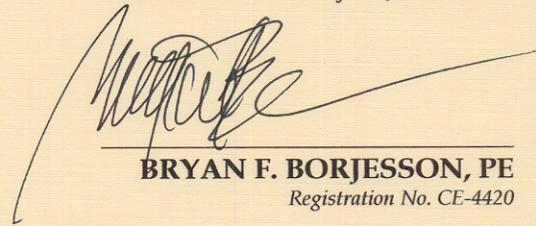
ENGINEER'S VERIFICATION

I, **BRYAN F. BORJESSON, PE**, a registered engineer with the State of Alaska, state that I have reviewed the documents noted in our June 29th, 2006, report, submitted to Mr. Delbert E. Parr, Environmental Manager, Fairbanks Gold Mining, Inc., and hereby verify the following:

- The narrative description submitted to meet the requirement of 18AAC 60.210(b)(1)(B), providing a general narrative description of the site topography, geology, climate, surface hydrology, and ground water hydrology appears to be correct. This information is found within the various documents reviewed, as detailed in our June 29th, 2006, report noted above.
- The drawings, documents, and plans submitted meet the requirement of 18AAC 60.210(v)(3)(C), operations at the site, (b)(3)(D), monitoring for signs of pollution or other problems, and (b)(4), contour drawings and waste disposal volume estimates appear to be complete and accurate, as upon the current revisions.
- Drawings, documents, and plans submitted to meet the requirements of 18AAC 60.210(b)(3)(A), the location of the landfill(s), are clear and accurate.
- Estimates and calculations submitted to meet the requirements of 18AAC 60.210(b)(3)(B) facility design features and (b)(5) closure and post-closure cost estimates appear to be complete and accurate.
- The closure plan submitted to meet the requirements of 18AAC 60.210(b)(3)(E), closing landfills, appear to be feasible.

DATED this 29th day of June, 2006.




BRYAN F. BORJESSON, PE
Registration No. CE-4420

104.15.002
Permit #9931-BA00

FAIRBANKS GOLD MINING, INC.
a subsidiary of
AMAX GOLD INC.
FORT KNOX MINE

RECEIVED

JAN 05 1999

CERTIFIED MAIL – RETURN RECEIPT REQUESTED P 560 209 342 DEPT. OF ENVIRONMENTAL
CONSERVATION
FAIRBANKS

January 4, 1999

Ms. Nancy Sonafrank
Alaska Department of Environmental
Conservation, Solid Waste Program
610 University Avenue
Fairbanks, Alaska 99709-3643

Re: Renewal of Fort Knox Construction and Demolition Debris Landfill, Permit #9431-BA003

Dear Ms. Sonafrank,

Enclosed is the renewal permit application for the Fort Knox Mine Construction and Demolition Debris Landfill Permit #9431-BA003 (Article 4 Monofills, Inert Waste AAC 60.460) and a check for \$1,650.00 as required or the advance permit renewal fee. A copy of the Fort Knox Mine Solid Waste Management Plan and Waste Disposal Procedures booklet have also been provided.

The solid waste management plan implemented at the Fort Knox Mine is designed to promote cost-effective and environmentally-sound solid waste practices that effectively minimize environmental impacts, health and safety threats, pollution, and nuisances (18 AAC 60.005). Fairbanks Gold Mining, Inc. is fully aware of all applicable federal, state, and local regulations (i.e. local ordinances, zoning requirements) governing the design, operation, and maintenance of the inert solid waste monofill(s) at the Fort Knox Mine.

The Fort Knox Mine located in the Fish Creek drainage of the Fairbanks Mining District, approximately 15 air miles northeast of Fairbanks, Alaska. The operation uses conventional open pit mining and milling technology and operates year-round. The mill processes between 36,000 to 50,000 tons of ore per day, producing approximately 300,000 to 350,000 ounces of gold per year.

The Fort Knox Mine is located in the Yukon-Tanana Uplands, which is characterized by rounded even topped ridges with gentle slopes. Elevations within the project area range roughly between 1,000 to 2,500 feet. Local topography dictates that any overland flow upstream of the tailing dam reports to the tailing impoundment, while any surface flow below the tailing dam reports to the water reservoir.

The center of the ore body is located on the north side of Gilmore Dome on the ridge between Melba and Monte Cristo creeks at elevations ranging between 1,000 to 2,100 feet. The entire project area is located within Fish Creek drainage. Besides Melba and Monte Cristo creeks, the named tributaries that drain into Fish Creek within the project area include Barnes, Pearl, Yellow Pup, Walter, Last Chance, and Solo creeks. Fish Creek ultimately drains into the Little Chena River, which drains into the Chena River.

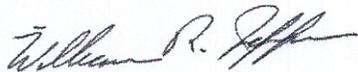
Groundwater is found in two primary geologic settings at the Fort Knox site. The first, and relatively minor, occurrence of ground water is in the alluvial deposits confined to the valley floor of the Fish Creek drainage and its tributaries. The second, and more significant, occurrence of ground water is in the fractured crystalline bedrock underlying the alluvial deposits of the valley floor, and surficial soils and deposits of silt and colluvium of the hills and surrounding ridge lines.

The climate is continental sub-arctic with mean annual precipitation of less than 12 inches.

The summary information above and additional detailed data on the geology and soil morphology are contained in original permitting submittals to ADEC from 1992, 1993, and 1994.

If you have any questions or require additional information, please call Bob Farneski or me.

Respectfully,



William R. Jeffress
Manager – Environmental Services

xc: (without attachments)
W. McGee, ADEC, Fairbanks
R. LeFebvre, ADNR, Anchorage
A. Ott, ADF&G, Fairbanks
S. Planchon, MHLT, Anchorage
G. Phillips, DACOE, Fairbanks
C. Godsey, EPA, Anchorage
S. Lang, FGMI
B. Farneski, FGMI

Part one: Applying for a Inert Waste Monofill Disposal Permit

- Applicant's name Fairbanks Gold Mining, Inc.
Contact name Bill Jeffress Manager, Environmental Services
Mailing address P.O. Box 73726
City/State/Zip Fairbanks/Alaska/99707-3726
Telephone Number (907) 488-4653 Ext. 2206, FAX Number (907) 490-2290
Email Address _____
- Type of entity (e.g. individual, partnership, corporation) corporation
State of incorporation or registration Delaware
Alaska business license number BL 151716
IRS tax identification number, or social security number (if individual) 061325565
- Facility owner's name same
Mailing address _____
City/State/Zip _____
Telephone Number _____ FAX Number _____
- Landowner's name same
Mailing address _____
City/State/Zip _____
Telephone Number _____ FAX Number _____
- Operator's name same
Mailing address _____
City/State/Zip _____
Telephone Number _____ FAX Number _____

Note: If the applicant is not the owner of the proposed inert waste monofill disposal site, attach proof that the owner has received a formal notice fully describing the proposed activity. Include a copy of a lease agreement which is specific to the proposed activity, or a written statement of consent signed by the landowner and notarized.

- Inert waste monofill location (legal description of property, including meridian, range, township and section)

There are four sites at the Fort Knox Mine that will be used for disposal of wastes with legal descriptions as follows: active landfill trench (west of conveyor drive tower) and permitted landfill trench (east of mine pit) within Section 16, T.2N., R.2E., Fairbanks Meridian; permitted landfill trench (adjacent to administration bldg.) within Section 15 and 16, T.2N., R.2E., Fairbanks Meridian; permitted landfill trench (east of tailing dam- north abutment) within Section 14, T.2N., R.2E., Fairbanks Meridian, see Fort Knox Mine Solid Waste Management Plan, December 1998, Figure 1.

- This application is for:
 - () A new inert waste monofill
 - () An unpermitted active inert waste monofill
 - () Renewal of Permit No. 9431-BA003
 - () Transfer of Permit No. _____
 - () Modification of Permit No. _____

Part two: Specific Permit Information.

Please check each item below to indicate you have included the following documents or information in your permit application package:

- A. () A signed cover letter containing:
 1. A statement indicating the class of monofill operation for which the permit is sought, with evidence that the proposed facility meets the requirements for that type of facility in 18 AAC 60.005(a);
 2. A general description of the site topography, geology, climate, and surface and groundwater hydrology present;
 3. A statement that the applicant is aware of all applicable local ordinances, zoning requirements, and if appropriate, the Alaska Coastal Zone Management Program requirements of 6 AAC 50.
- B. () This form containing all required information and signed by a person with appropriate authority.
- C. () Information required in 18 AAC 60.900 if you are seeking a waiver from one or more requirements of the solid waste regulations. Not applicable

D.(√) A solid waste management plan, unless exempted by 18 AAC 60.205, that includes a demonstration that the applicant has reasonably considered all solid waste management options and that the permit would be consistent with the waste management hierarchy established in AS 46.06.021; See Fort Knox Mine Solid Waste Management Plan, December 1998.

E.(√) A map or aerial photo with a scale of 1 inch = 200 feet or other appropriate scale that shows major topographical, geological, hydrological, and biological features, buildings, roads, and airports located within two miles of the facility. The location of the facility, property boundaries, and water supply wells or intakes located within two miles of the facility must also be shown (18 AAC 60.210(b)(5)). See Fort Knox Mine Solid Waste Management Plan, December 1998, Figure 1.

F.(√) Is the facility site located within a 100-year floodplain? Yes () No (X)
If yes, please provide information on design measures and operation plans that have been developed to make sure wastes will not be washed out in the event of a 100-year flood.

G.(√) Copies of soil boring logs or other soils information at or near the proposed landfill site, if available. Several geotechnical reports used in the design of the Fort Knox Mine (i.e. waste rock dump, pit slope stability, tailing dam, mill and crusher design etc.) are available and were previously reviewed prior to initial permitting in 1994. This information is on file with the department.

H.(√) A site plan and cross-sectional drawings of the facility required by 18 AAC 60.210(b)(6) using an appropriate scale that shows the following features, if present: See Fort Knox Mine Solid Waste Management Plan, December 1998, Figure 1 and Figure 2.

- | | |
|---|---|
| 1. Property boundaries | 10. Location of monitoring devices |
| 2. Leachate collection system | 11. Areas used for disposal of other wastes |
| 3. Active areas of site | 12. Closed areas of site |
| 4. Location of containment structures | 13. Cover material storage area |
| 5. Fences and gates | 14. Access roads |
| 6. Salvage storage area | 15. Waste management equipment locations |
| 7. Location and direction of surface water flow | 16. Erosion control devices or structures |
| 8. Depth to groundwater and direction of flow | 17. Liner systems |
| 9. Water quality monitoring system | 18. Surface water control devices such as trenches, grading, or berms |

I.(√) A facility operating and maintenance plan that describes how you will accomplish the following:

1. Prevent access during the hours when the facility is closed; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 4, pg 4.
2. Prevent the public or staff from dumping in the wrong place or breaking safety rules; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 4, pg 4.
3. Control salvaging; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 3.1, pg 1.
4. Implement a program to detect and prevent the disposal of hazardous waste and PCB waste, as required by 18 AAC 60.240; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 3.5, pg 3.
5. Take corrective action if you discover the presence of a non-allowed waste in the landfill; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.
6. Ensure that the site is filled and graded according to approved plans; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.
7. Compact and cover the waste (e.g. what equipment you will use and how much cover material is needed); See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 5, pg 4.
8. Control and prevent fires, litter, dust, odor and noise; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 5, pg 4.
9. Keep the "operating record" as required in 18 AAC 60.235, including who is responsible for the recordkeeping and the location of the records. See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.

J.(√) An evaluation of the potential usefulness of the underlying aquifer and the potential for generating leachate that will cause a violation of water quality standards in 18 AAC 70 at the point of compliance established under 18 AAC 60.810(b) and 18 AAC 60.825(c); See Fort Knox Mine Solid Waste Management Plan December 1998 (section 7, pg 5).

K.(√) A monitoring plan that meets the requirements of 18 AAC 60.800 - 860. The plan will include:

1. Procedures and checklists for the visual monitoring program; See Fort Knox Mine Solid Waste Management Plan, December 1998, Appendix A Monthly Solid Waste Disposal Site Inspection Sheet).
2. A surface water monitoring plan, if required by 18 AAC 60.810; Not applicable see Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.
3. Information on baseline groundwater quality, if required by 18 AAC 60.820 and 825; Not applicable see Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.
4. A description of the quality assurance program for sampling and analysis of waters, if groundwater or surface water monitoring is required by 18 AAC 60.820 and 825; Not applicable
5. A description or sample printout of the groundwater monitoring data submittal format; Not applicable
6. An outline of responsibilities or procedures for taking appropriate and immediate remedial action to repair a damaged landfill and clean up any improper waste disposal. See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 7, pg 5.

Although specific surface and groundwater monitoring isn't required for the landfill trench(s) at the Fort Knox Mine, baseline water quality required for initial permitting and compliance water quality since startup is on file with the department.

L.(√) A closure plan that meets the requirements of 18 AAC 60 related to closure and post-closure of inert waste monofills. See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 6, pg 5.

M.(√) Proof of financial assurance or responsibility, **if** required by 18 AAC 60.265; See Fort Knox Mine Solid Waste Management Plan, December 1998, Section 8, pg 6, Surety Bond No. 11133385143, dollar amount = \$ 4,532,141.

N.(√) A copy of the deed or another legal document that identifies the landowner, and a copy of any lease agreement that is relevant to the proposed activity, or a written statement signed by the landowner and notarized, showing that the landowner consents to the proposed monofill. See Fort Knox Mine Millsite Permit ADL NOS. 414960 and 414961 which is on file with the department. The millsite permit area is shown in Exhibit A.

O.(√) A copy of the Stormwater Notice of Intent for the facility **if** required by the federal Clean Water Act (40 CFR 122.26). Not applicable

P.(√) Documents or plans signed and sealed by a registered engineer if the monofill receives waste in excess of 5 tons per day (18 AAC 60.210(d). **(Please note: the requirement to have the Stormwater Notice of Intent be signed and sealed by a registered engineer, per 18 AAC 210(b)(17) has been waived.)** Not applicable

Q.(√) Fee advance, if required by 18 AAC 60.700(d). A fee advance has been provided.

Please complete the following items, to briefly describe the proposed inert waste monofill facility and the intended use:

- Type of waste accepted for disposal: Typical non-hazardous wastes approved for disposal are as follows: construction and demolition debris, auto parts and accessories, light vehicle tires, hot-drained oil filters, empty aerosol cans, etc. For a complete and detailed description of acceptable wastes see attached Fort Knox Mine Solid Waste Management Plan, December 1998, Section 3, pg 1 and Fort Knox Mine Waste Disposal Procedures booklet, October 1997.
- What pre-disposal processing will be used, if any:

Crushing or grinding	(√)	Rebar or metal removal	(√)
Dewatering	()	Kiln or air drying	()
Screening for materials separation	()	Mixing or blending	()
Other	(√)		

Crushing or grinding: All empty (< 3% residue) 55 gallon barrels are crushed prior to disposal in the barrel landfill trench.

Rebar or metal removal: Scrap metal is collected in one of two dumpsters located east of the mill complex for recycling.

Other:

- (1) Aerosol cans are punctured and drained prior to disposal in the landfill trench.
- (2) Oil filters are hot drained prior to disposal into the landfill trench.
- (3) Putrescible wastes (i.e. food scraps) are either incinerated in an on-site oil-fired incinerator or transported to the FNSB Landfill. The remaining ash is disposed in the landfill trench.
- (4) Oily rags and gloves are incinerated in an on-site electric incinerator. The remaining ash is disposed of in the landfill trench.

- Estimated quantity of inert waste to be received and processed: The Fort Knox Mine to date has generated approximately 85 cubic yards of inert waste per month.
- Size of proposed monofill disposal area: Landfill trenches are roughly rectangular approximately 20 feet wide, 10 feet deep, and 150 feet long. Approximate acreage of designated landfill areas are as follows: active landfill trench (west of conveyor drive tower) and permitted landfill trench (east of mine pit) 11 and 110 acres respectively; permitted landfill trench (adjacent to administration bldg.) 35 acres; permitted landfill trench (east of tailing dam- north abutment) 30 acres. See Fort Knox Mine Solid Waste Management Plan, December 1998, (Figure 1).
- Estimated operational life of the facility: At the present rate of 85 cubic yards of inert waste per month, it is anticipated that each typical landfill trench (20'x10'x150') should last approximately one year.

Types of waste accepted for treatment or storage only: See Fort Knox Mine Waste Disposal Procedures booklet, October 1997, pg 3-9.

Describe your proposed method of handling any wastes that will be accepted on site but not disposed of in the inert waste landfill. See Fort Knox Mine Waste Disposal Procedures booklet, October 1997, pg 3-9.

Part three: Signature: The application cover letter and this form must be signed by the applicant.

I, Stephen A. Lang Vice President/General Manager, certify under penalty of perjury, that all of the
(PRINT OR TYPE NAME HERE)
information and exhibits in this cover letter and application are true, accurate, and complete.

Applicant's signature Stephen A. Lang Date 1 / 4 / 99
Month Day Year

18 AAC 15.030. Signing the Applications. All permits or applications submitted for approval must be signed as follows:

1. In the case of corporations, the signature must be that of a principal executive officer, or an officer no lower than the level of vice president or his/her duly authorized representative. The representative must be responsible for the overall management of the project or operation;
2. In the case of a partnership, by a general partner;
3. In the case of sole proprietorship, by the proprietor, and
4. In the case of a municipal, state, federal, or other public entity, by either a principal executive officer, ranking elected official, or duly authorized employee.

Part four: Submitting an Application:

Submit your completed and signed application to the Solid Waste Program in the department's office nearest your facility (see list of ADEC's three main offices on the next page of this form.) If the proposed operation is in, or might affect, the Coastal Zone of Alaska, you must also complete and submit a coastal project questionnaire (6 AAC 50.070).

Exhibit A

