



THE STATE
of **ALASKA**

GOVERNOR MICHAEL J. DUNLEAVY

Department of Natural Resources

DIVISION OF MINING, LAND & WATER
Mining Section

550 West 7th Avenue, Suite 900B
Anchorage, Alaska 99501-3577
Minerals Property Management Main: 907.269.8642
Fax: 907.269.8949
Coal Regulatory/Abandoned Mine Lands Main: 907.269.8631
Fax: 907.269.8930
TDD: 907.269.8411

March 18, 2019

Mark Huffington
Environmental Superintendent
Fairbanks Gold Mining, Inc.
PO Box 73726
Fairbanks, AK 99709-3726

Subject: Extension of the Fort Knox Mine Plan of Operations Approval (F20149852POOA) and Reclamation Plan Approval (F20149852RPA)

Dear Mr. Huffington:

On February 22, 2019, the Division of Mining, Land, and Water (DMLW) received a request to extend the *Fort Knox Mine Plan of Operations Approval F20149852POO (POOA)* and the *Fort Knox Mine Reclamation Plan Approval F20149852RPA (RPA)*. The extension request included the expectation to submit the renewal applications by September 1, 2019. The current POOA and RPA are due to expire March 27, 2019.

Under Alaska Administrative Code 11 AAC 86.800, the plan of operations may cover up to a ten-year period. This extension does not exceed the allowed 10-year regulatory period for POOA (F20149852POOA).

Under Alaska Administrative Code 11 AAC 97.320, the commissioner of the Alaska Department of Natural Resources may approve a reclamation plan for any term not to exceed 10 years. This extension does not exceed the allowed 10-year maximum regulatory period for RPA (F20149852RPA).

In order to allow for the continuation of your operations, the Department of Natural Resources, Division of Mining, Land, & Water (DMLW) administratively extends the POOA (F20149852POO) and the RPA (F20149852RPA) until March 27, 2020. This extension for both the POOA and RPA should be sufficient to allow for a thorough review of the complete application packages and resolution of any requests for information or updates to the plans and cost estimates, and to accommodate a coordinated public notice process. Your request to extend the date for submittal of complete renewal applications by September 1, 2019 is therefore approved.

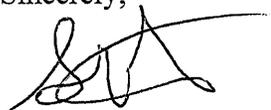
Please be advised that this authorization does not eliminate the potential need for authorization of your activity from other Federal, State, or local divisions or agencies.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b).

This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

If you have any questions regarding this approval, please contact Brent Martellaro at 907-451-2788

Sincerely,



Steve Buckley
Mining Section Chief

Enclosure: Copy of FGMI's February 22, 2019 request for extension.

Cc via email: Mark Huffington, FGMI
Brent Martellaro, ADNR
Carolyn Curley, ADNR
Kyle Moselle, ADNR
Charles Cobb, ADNR
Audra Brase, ADF&G
Ashlee Adoko, ADNR

Bartly Kleven, FGMI
Kindra Geis, ADNR
William Groom, DNR
David Schade, ADNR
Tim Pilon, ADEC
Ellen Lyons, USACE

Delivery: tim.pilon@alaska.gov
brent.martellaro@alaska.gov

February 22, 2019

Mr. Tim Pilon
Alaska Department of Environmental Conservation
Division of Water
610 University Avenue
Fairbanks, AK 99709

Mr. Brent Martellaro
Alaska Department of Natural Resources
3700 Airport Way
Fairbanks, AK 99709

Re: Renewal Application for:
Waste Management Permit No. 2014DB0002, Modification No. 2
Plan of Operations No. F201449852POO
Reclamation and Closure Plan No. F20149852RCP

Dear Mr. Pilon and Mr. Martellaro:

Fairbanks Gold Mining, Inc. (FGMI) is submitting this letter to the Alaska Department of Environmental Conservation (ADEC) and the Alaska Department of Natural Resources (ADNR) as an application for renewal of the following, which are due to expire on March 27, 2019.

1. Waste Management Permit No. 2014DB0002, Modification 2
2. Plan of Operations No. F20149852POO
3. Reclamation and Closure Plan No. F20149852RCP

As discussed with Mr. Pilon and Mr. Martellaro throughout 2019, FGMI is working on a number of fronts to update the Plan of Operations in support of permit renewal. Work currently underway includes design and permitting of the Phase 1 Causeway, tailings storage facility (TSF) spillway design, Reclamation and Closure Plan update including costs (based on TSF closure configurations), pit lake evaluation, and the laboratory method detect limit (MDL) and practical quantification level (PQL) study for cyanide, weak-acid dissociable (CN WAD).

The following updated documents in support of this renewal application will be submitted to ADEC and ADNR by September 1, 2019.

1. Fort Knox Mine Reclamation and Closure Plan including costs
2. Fort Knox Mine Pit Lake Evaluation

3. Fort Knox Mine Solid Waste Management Plan
4. Fort Knox Mine Monitoring Plan
5. Plan of Operations
 - a. Facility description
 - b. Walter Creek Valley Fill Heap Leach Pad Operations & Maintenance Manual Revision 14 December 2018
 - c. Tailings Storage Facility Operations & Maintenance Manual Revision 7, November 2018

The third-party facility audit was conducted in 2018 in accordance with Condition 2.8 of Waste Management Permit, Modification 2 and the Environmental Audit condition of the Plan of Operations No. F20149852POO. The revised final report (*Environmental Compliance and Management Systems Audit, Fort Knox Gold Mine, Revised February 2019*) was provided to Mr. Kyle Moselle (Alaska Department of Natural Resources, Office of Project Management & Permitting) on February 12, 2019.

Should you have any questions, please contact me at 970-490-2287 or mark.huffington@kinross.com.

Sincerely,



Mark A. Huffington
Environmental Superintendent

Cc: Kyle Moselle, ANDR, kyle.moselle@alaska.gov
John Sargent, USACE, john.c.sargent@usace.army.mil
Audra Brase, ADF&G, audra.brase@alaska.gov
Jeremy Brans, FGMI, jeremy.brans@kinross.com
Bartly Kleven, FGMI, bartly.kleven@kinross.com