KINROSS Fort Knox

Fairbanks Gold Mining, Inc.
A Kinross company
PO Box 73726
Fairbanks, AK, USA 99707-3726

phone: (907) 488-4653
fax: (907) 490-2290

Delivery: kyle.moselle@alaska.gov

October 20, 2017

Kyle Moselle
Department of Natural Resources
Office of Project Management and Permitting
400 Willoughby Street
Juneau, AK 99801-01019

Re: FGMI Powder Magazine Relocation

Dear Mr. Moselle:

Fairbanks Gold Mining, Inc. (FGMI) is requesting a modification to the Plan of Operations for the Fort Knox Gold Mine. The modification includes constructing a new powder magazine and decommissioning the existing powder magazine in quarters 1 and 2 of 2018.

The proposed powder magazine relocation is necessary for removing and processing ore from the existing powder magazine area, which will be too close to the mining of the pit's east wall identified by Attachment 1, Phase 8 East Wall Expansion figure. The proposed relocation is within the mine's previously approved disturbance area as identified by Attachment 2, Powder Magazine General Arrangement figure.

The proposed powder magazine relocation will be composed of an approximately 6.7-acre fenced enclosed area. The fenced area will be accessed through a gate equipped with a Security card reader. Major site elements are identified on Attachment 3, Powder Magazine Grading Plan figure and include:

- Ammonium Nitrate – two (2) silos of 200,000 pounds each
- Emulsion – two (2) silos of 100,000 pounds each
- Aboveground magazines – three (3) each
- General storage and staging tent structure

Structure locations within the powder magazine area may be adjusted prior to construction.

The following Code of Federal Regulations (CFR) that pertain specifically to the proposed powder magazine will applied for the facility's construction, installation, and commissioning.

- 30 CFR Part 56, Subpart E – Explosives
- 27 CFR Part 555.218 – Table of Distances for Storage of Explosive Materials
- 27 CFR Part 555.220 – Table of Separation Distances of Ammonium Nitrate and Blasting Agents.

In addition, the National Fire Protection Association (NFPA provides recommendations concerning separation distances between buildings to limit the spreading of exterior fires based on exterior openings and other construction features. This is outlined in the following:

- NFPA 80A – Recommended Practices for Protection of Buildings from Exterior Fire Exposure

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

Sincerely,

Mark A. Huffington
Environmental Superintendent

Attachments:

1. Phase 8 East Wall Expansion
2. Powder Magazine General Arrangement
3. Powder Magazine Grading Plan

Cc: Brent Martellaro, ADNR, brent.martellaro@alaska.gov
Tim Pilon, ADEC, tim.pilon@alaska.gov
Ellen Lyons, USACE, ellen.h.lyons@usace.army.mil
Bartly Kleven, FGMI
Jose Pedro Bolanos Arias, FGMI
Jennifer Pyecha, FGMI

Attachment 1

Phase 8 East Wall Expansion

Phase 8 East Wall Expansion	Date: 10-18-17
KINROSS Fort Knox	Author: TMT

Attachment 2

Powder Magazine General Arrangement

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Morrison Maierle
engineers ▪ surveyors ▪ planners ▪ scientists

3011 Palmer Street
Missoula, MT 59808
406.542.8880
www.m-m.net

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DATE: 3/2017

FORT KNOX INFRASTRUCTURE
KINROSS GOLD CORPORATION
FAIRBANKS ALASKA

PROJECT NO. 3924.078

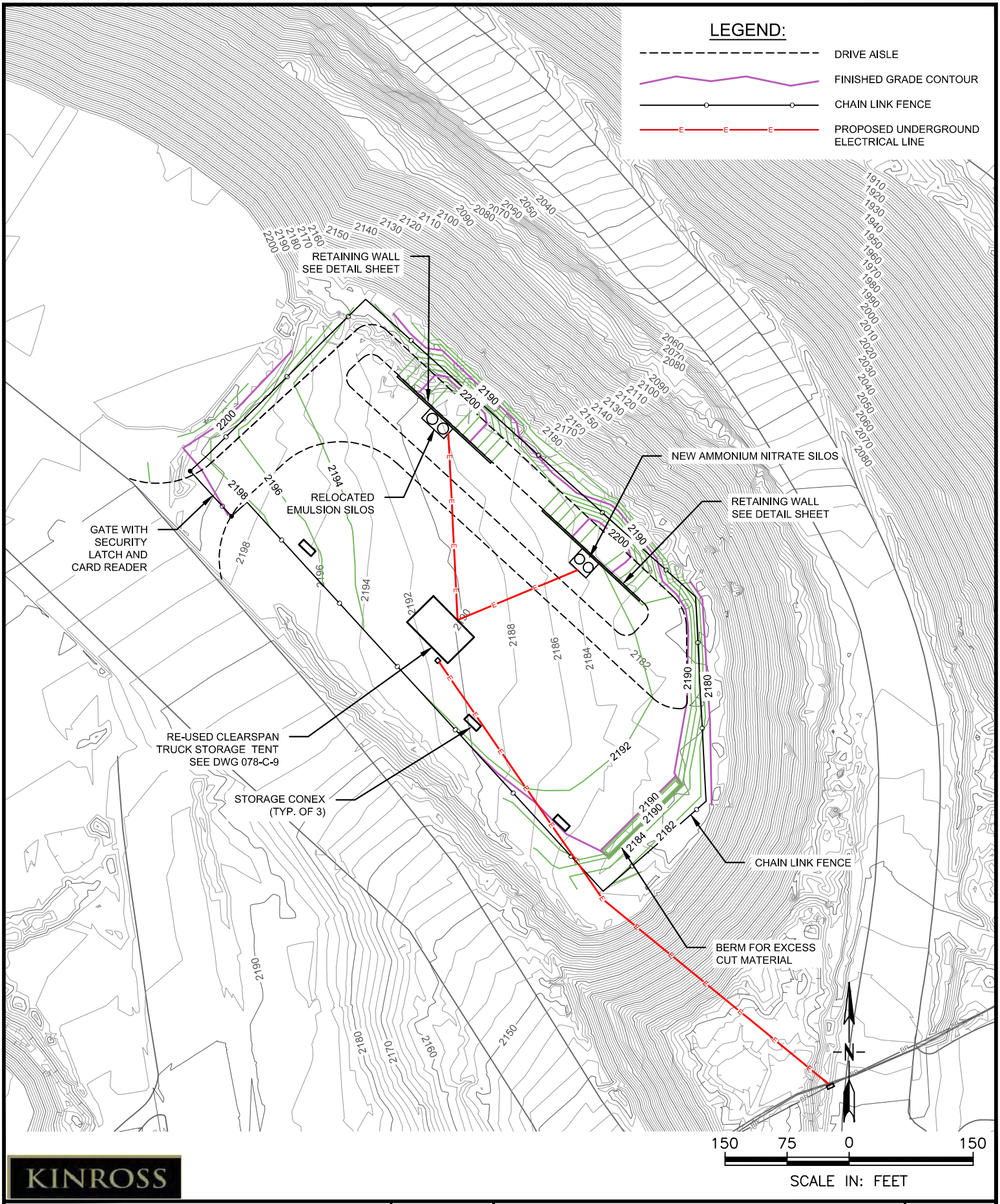
POWDER MAGAZINE GENERAL ARRANGEMENT

FIGURE NUMBER 078-PM-1

M:\3924\078 FK Infrastructure\ACAD\concept\Powder Magazine\078-PM-1 POWDER MAGAZINE GENERAL ARRANGEMENT.dwg Plotted by melinda hankel on May/19/2017

Attachment 3

Powder Magazine Grading Plan



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POWDER MAGAZINE GRADING PLAN

FIGURE NUMBER 078-PM-2

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