



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

**Department of Natural Resources**

Division of Mining, Land & Water  
Mining Resources Section

550 West 7th Avenue, Suite 930  
Anchorage, Alaska 99501-3577  
Main: 907.269.8642  
TDD: 907.269.8411  
Fax: 907.269.8949

June 27, 2013

Delbert Parr  
Fairbanks Gold Mining, Inc.  
P.O. Box 73726  
Fairbanks, AK 99707-3726  
Attention: Delbert Parr

**Subject: Extension of the Fort Knox Mine Project Final Plan of Operations Amendment Approval (F20079852) – Corrected date**

Dear Mr. Parr:

The current Fort Knox Mine Project Final Plan of Operations Amendment Approval (Plan of Operations F20079852), originally effective July 3, 2007 through July 3, 2012, was extended to July 3, 2013. An updated bond was submitted and later approved October 5, 2012 by the Division of Mining Land and Water (DMLW) on an interim basis, until revised plans could be submitted that provide a more detailed evaluation of the reclamation cost estimate.

On January 10, 2013, Fairbanks Gold Mining, Inc. (FGMI) submitted the Fort Knox Mine Reclamation and Closure Plan (RCP) and accompanying Standardized Reclamation Cost Estimate (SRCE) as updates to the Plan of Operations for approval. The State of Alaska provided RCP review comments to you on May 4, 2013, and SRCE review comments on June 3, 2013. At a meeting held on June 7, 2013, the Mining Section agreed to further extend the term of the existing Plan of Operations Amendment Approval to allow sufficient time for the next submittal, and agency review and associated public process to occur. Fairbanks Gold Mining, Inc. (FGMI) has indicated the revised updates to the RCP and SRCE will be submitted after a public comment period occurs and before December 31, 2013.

The DMLW holds the current interim bond of \$65,785,767.00, and this bond amount will be reviewed with the next RCP and SRCE submittal.

Consistent with Alaska Administrative Code 11 AAC 97.320, the Alaska Department of Natural Resources may approve a reclamation plan for any term not to exceed 10 years. Since FGMI submitted an application to renew the reclamation plan in a timely manner and the existing plan approval as extended is a term of six years, the Mining Section hereby extends the current Fort Knox Mine Plan of Operations Amendment Approval (F20079852) until March 31, 2014.

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 .2.040(c) and (d), and may be mailed or delivered to Daniel S. Sullivan, Commissioner, Department of Natural Resources, 550 W. 7<sup>th</sup> Avenue, Suite 1400, Anchorage, Alaska, 99501, faxed to 907-269-8918, or sent by electronic mail to [dnr.appeals@alaska.gov](mailto:dnr.appeals@alaska.gov). 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 31<sup>st</sup> 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 letter, please contact Brent Martellaro at 907-451-2788.

Sincerely,



Scott Pexton  
Mining Section Chief

Cc: Tom Crafford, OPMP  
Brent Martellaro, ADNR  
Chris Milles, ADNR  
Charlie Cobb, ADNR  
Stephanie Lovell, ADNR  
Carolyn Curley, ADNR  
Tim Pilon, ADEC  
Pete McGee, ADEC  
Al Ott, ADF&G  
Bill Morris, ADF&G  
Ellen Lyons, ACOE