April 13, 2016

Jennifer Pyecha
Senior Environmental Engineer
Fairbanks Gold Mining, Inc.
PO Box 73726
Fairbanks, AK 99707-3726

Subject: Fort Knox Mine Plan of Operations Amendment Approval F20149852POO.4 for Clearing and Grubbing for Filter and Seal Material

Dear Ms. Pyecha,

On March 16, 2016 the Division of Mining, Land and Water (DMLW) received correspondence from Fairbanks Gold Mining, Inc. (FGMI), requesting approval to amend the Fort Knox Mine Plan of Operations Amendment Approval F20149852POO (POOA) for investigatory test pits and clearing and grubbing to access seal and filter material for the TSF dam raise.

The DMLW understands this request includes the potential to clear and grub 150 acres, avoiding areas designated as wetlands, and that FGMI will stockpile all organic material for future reclamation.

The DMLW has reviewed the proposed amendment and consulted with Alaska Departments of Environmental Conservation (ADEC) and Fish & Game (ADF&G).

The requested amendment to the POOA as proposed and illustrated in your March 16, 2016 submission is hereby approved as Fort Knox Mine Plan of Operations Amendment Approval F20149852POO.4. Nothing in this decision changes the conditions of the original POOA Approval dated March 28, 2014. The associated disturbance of these activities must be accounted for in the next update to the Reclamation and Closure Plan and associated closure cost estimate.

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. 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,

Marty Lentz
Mining Section Chief

cc via email: Bartly Kleven, FGMI
             Brent Martellaro, ADNR
             Carolyn Curley, ADNR
             Tim Pilon, ADEC
             Ellen Lyons, USACE
             Mark Huffington, FGMI
             Stephanie Lovell, ADNR
             Kyle Moselle, ADNR
             Audra Brase, ADF&G