

MEMORANDUM

STATE OF ALASKA
Department of Natural Resources
Division of Mining, Land and Water
550 West 7th Avenue, Unit 900B
Anchorage, AK 99501-3577

TO: APMA File A046113

DATE: May 20, 2004

FILE NO: A046113

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SUBJECT: Trip Report to Pebble on May
19, 2004

Yesterday, Stan Foo and I flew down to Iliamna and inspected Northern Dynasty's (ND) exploration activity on their Pebble property. ND's APMA indicates they will have five drill rigs operating this year, however upon our visit only two drills were working, while they were mobilizing and moving several others. We inspected the two operating drills and reclamation of the test pits they excavated in 2003. We also inspected several of their 2003 drill sites. Picture 1 below is an example of one of their prior year drill sites marked with an orange post.



Picture 1

Picture 2 below is an example of one of their reclaimed excavation pits.



Picture 2

Pictures 3 and 4 below are of a drill site on upland tundra in Township 3 South, Range 35 West, Southeast Quarter of Section 22, Seward Meridian.



Picture 3



Picture 4

Pictures 5 and 6 below are of a drill site located in a wetland area in Township 3 South, Range 35 West, Section 22, Seward Meridian.



Picture 5



Picture 6

Conclusions and Recommendations: Reclamation of drill sites and excavation pits looks good. Disbursement of drilling fluids and mud beyond the sump area at drilling locations in wetland areas needs to be curtailed so that the clay size fraction in the mud does not become disbursed in the wetland environment any more than necessary. This issue was discussed with Rich Moses, ND's exploration manager.