



MEMORANDUM

STATE OF ALASKA

Department of Natural Resources
Office of Habitat Management and Permitting

TO: Stewart Seaberg
Habitat Biologist
Office of Habitat Management and Permitting

DATE: June 26, 2006

FROM: Cindy Anderson
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SUBJECT: Bristol Bay &
Kuskokwim
Mining Inspection

On June 14, 2006, I met Kerwin Krause and Bill Cole of DNR Mining and Susan McNeil of DEC at Jim Air in Anchorage to begin a charter trip to inspect mining activity in the Bristol Bay and Upper Kuskokwim area. We loaded a C-206 on wheels and headed to the Village of Iliamna in Bristol Bay. After arriving in Iliamna we were greeted by Richard Moses, Geologist and Project Manager for Northern Dynasty Minerals. He gave us an update of activity to date and arranged an afternoon tour of the exploration sites. We were joined by Michael Smith who is the Northern Dynasty NEPA and Permitting Manager. Our group boarded two helicopters and we proceeded to flyover past exploration sites to observe the restoration of past years. After looking at several sites, we landed at an active drilling site to observe operations. We watched while they completed a drill and deposited the core into sample boxes. The second drilling site we inspected was in the process of plugging an aquifer that they had drilled into. We completed our tour of the Pebble Copper Project with an inspection of the core sampling area in the village.

On June 15th, we departed Iliamna airport and headed towards the Shotgun Hills to inspect different exploration sites as well as active placer mining sites. We were able to observe a couple exploration sites from the air, but because of logistics did not land. We flew over several placer mines and stopped on a strip at an established operation on Marvel Creek. The operator gave us a historical update on the mine, and led us on a tour of the site. While Kerwin and Bill inspected the current operations, Susan and I were flown over to the Nyak mine where Calista Native Corporation has an exploratory operation. We met Donald Stevens, who is the Exploration Contractor and Consulting Geologist. He provided us with the mining history and the current exploration plan. We spent the afternoon gathering information. We rejoined the group and the plane headed to Aniak for refueling. On the flight to McGrath we flew over several other sites and landed in McGrath around 8:00 p.m. We spent the night at the DNR Forestry Camp.

On the morning of June 16th, we flew to an operation at Colorado Creek. In the past, this camp operated with two crews, but they have consolidated their expenses and now just have a family operation. At the time of the site inspection the miners were working on equipment repairs. They wouldn't be actively working on the site until July when the ground would be thawed. After a quick tour of the site, we headed out.

After a lengthy aerial survey of the mining activities at Boob Creek we landed and met with Bob Young who is the operator. This site was established in 2002 but hasn't been worked in 2005 or 2006. The site is complicated by a large amount of overburden and equipment failures. The sediment pond on this site

has failed and sediment from Boob Creek is feeding into Mastodon Creek which is a tributary to the Tolstoi River (see photos).

Our final stop was at the Gaines Creek Mine where they are reworking the tailing piles for tourists who are interested in recreational mining activities. They have been fairly successful in finding nice sized nuggets from the old tailings (see photo). We headed to McGrath to refuel and landed in Anchorage about two hours later on the evening of June 16th.



Pebble
Copper –
Site of a
recent drilling
exploration



Pebble
Copper 2006
active drilling
site



Tank that
holds
drilling
mud and
treated
water



Marvel Creek (D)
– a historic
mine still in
operation



Boob Creek – Two examples of the
amount of overburden at this site and the
degradation of the banks.



Aerial of Boob Creek operation where organics were removed.



Sedimentation of Mastodon Creek



Nuggets from old tailing piles at Gaines Creek

By Email:

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