



NORTHERN DYNASTY MINES INC.

**DRAFT ENVIRONMENTAL BASELINE STUDIES
2006 STUDY PLANS**

**CHAPTER 1.
INTRODUCTION**

JULY 2006

TABLE OF CONTENTS

TABLE OF CONTENTS 1-i

LIST OF FIGURES (attached) 1-i

1. INTRODUCTION 1-1

 1.1 Project Status 1-1

 1.2 Project Studies Area 1-1

LIST OF FIGURES (attached)

Figure 1-1, Study Area

1. INTRODUCTION

This document describes the 2006 environmental baseline studies planned for the Northern Dynasty Mines Inc. (NDM) Pebble Project. The 2006 study plan highlights changes to the 2005 study plan. The 2006 Study Plan, when combined with the 2005 study plan, provides a complete description of the environmental and socioeconomic baseline studies work for the Pebble Project in 2006.

1.1 Project Status

During drilling in late 2005, Northern Dynasty Mines Inc. discovered additional mineral resources in numerous drill holes on the eastern edge of the existing deposit. So far, there are 22 drill holes into the Pebble East deposit representing an additional 1.8 billion tons of inferred resource based on a cutoff grade of 0.6% copper equivalent.

As a result of this major Pebble East deep deposit discovery, the project definition is under review. The next year or two will be spent delineating Pebble East and preparing an Integrated Development Plan that could involve underground block cave mining and other changes/additions to the design concept. Completion of the feasibility study has been deferred until the deposit is better defined and additional engineering studies can be completed.

Permit applications have been deferred until 2008, to factor in the additional resources of Pebble East and to optimize the design of the project.

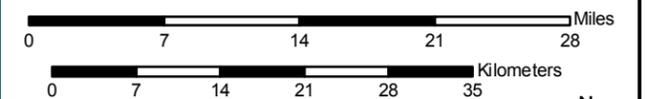
1.2 Project Studies Area

Figure 1-1 outlines the mine and transportation corridor studies areas for the majority of the environmental baseline studies.

Study Area
Figure 1-1

Legend

-  2005 Pit Outline
-  Study Area
-  Mine Studies
-  Transportation Corridor Studies
-  National Park and Preserve
-  Borough Boundary
-  Port Site
-  Possible Road (10/2005)
-  Existing Roads



Scale 1:600,000
Alaska State Plane Zone 5 (units feet)
1983 North American Datum

File: ND_ProjectArea_11X17L_1of1_D08.mxd	Date: April 27, 2006
Version: 8	Author: RDI-LS

