Department of Natural Resources

DIVISION OF MINING, LAND & WATER Mining Section

550 West 7th Avenue, Suite 900B Anchorage, Alaska 99501-3577

Minerals Property Management Main: 907.269.8642

Fax: 907.269.8649 Coal Regulatory/Abandoned Mine Lands Main: 907.269.8631

Fax: 907.269.8930 TDD: 907.269.8411

XXX XX, 2017

Bartly Kleven Environmental Manager Fairbanks Gold Mining, Inc. PO Box 73726 Fairbanks, AK 99707-3726

Subject: Fort Knox Mine Permit Amendments – Barnes Creek Heap Leach Construction

Dear Ms. Kleven,

On March 31, 2017, the Division of Mining, Land and Water (DMLW) received correspondence from Fairbanks Gold Mining, Inc. (FGMI) requesting approval for the construction of the Barnes Creek Heap Leach Pad (BCHLF).

The DMLW understands FGMI will begin construction of the BCHLF, but will not begin operating the BCHLF during the current permit cycle that ends March 27, 2019.

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

The requested amendment, as proposed and illustrated in your March 31, 2017 submission, includes activities upon land privately owned by FGMI, the DMLW hereby approves these activities as *Fort Knox Mine Reclamation and Closure Plan Approval F20149852RCP.1* (RCPA). Nothing in this decision changes the conditions of the original RCPA dated March 28, 2014. The reclamation costs for the expected disturbance within the current permit cycle is already accounted for in the current financial assurance. Additional activities beyond the current permit cycle will need to be incorporated 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

Enclosure: Copy of FGMI's March 31, 2017 amendment request

cc via email: Bartly Kleven, FGMI Mark Huffington, FGMI

Brent Martellaro, ADNR Carolyn Curley, ADNR David Schade, ADNR Tim Pilon, ADEC Ellen Lyons, USACE

Stephanie Lovell, ADNR Kyle Moselle, ADNR Charlie Cobb, ADNR Audra Brase, ADF&G



Fairbanks Gold Mining, Inc. A Kinross company PO Box 73726 Fairbanks, AK, USA 99707-3726

> phone: (907) 488-4653 fax: (907) 490-2290

Email Delivery: kyle.moselle@alaska.gov

March 2017

Kyle Moselle Large Mine Project Manager Alaska Department of Natural Resources Office of Project Management and Permitting 400 Willoughby Ave, Suite 400 Juneau, AK 99801-0101

Subject: Plan of Operations and Waste Management Permit Amendments – Barnes Creek Heap

Leach Construction

Dear Mr. Moselle,

Fairbanks Gold Mining, Inc. (FGMI) is requesting a Plan of Operations and Waste Management Permit modifications for the construction and operation of the Barnes Creek Heap Leach.

The following electronic document for the modification request is provided as an attachment to the submittal email.

Fort Knox Mine Plan of Operations Modification Document

Should you have any questions, please contact me at Bartly.Kleven@Kinross.com or at 907-490-2207.

Sincerely,

Bartly Kleven

Environmental Manager

Bartly Un

Cc: Brent Martellaro, ADNR
Charles Cobb, ADNR
Tim Pilon, ADEC
Ellen Lyons, USACE
Eric Hill, FGMI
Bartly Kleven, FGMI
Craig Natrop, FGMI