

*State of Alaska**Water Rights***CERTIFICATE OF APPROPRIATION
LAS 13988**

The State of Alaska, acting by and through the Department of Natural Resources, Division of Mining, Land and Water, 3700 Airport Way, Fairbanks AK 99709-4699, hereinafter referred to as the grantor, under AS 46.15, the Alaska Water Use Act, and the regulations adopted under it, grants to:

Fairbanks Gold Mining, Inc.
P.O. Box 73726
Fairbanks, Alaska 99707-3726

The right to the following use of water:

SOURCE: Fish Creek
QUANTITY: 5,245.0 Acre-Feet per Year
PERIOD: January 1st through December 31st
USE: Mining and Milling, including Heap Leaching

With a PRIORITY DATE of December 11, 1992.

The location of this water source:

A tailings impoundment located on Fish Creek within U.S. Mineral Surveys 2076 and 2077, and Tracts C-1 and C-4 of Alaska State Cadastral Survey 93-8, said impoundment located within Sections 9, 10, 14, 15, 16, 22 and 23, Township 2 North, Range 2 East, Fairbanks Meridian.

The location to which this water right is appurtenant:

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Tract C-2 of Alaska State Cadastral Survey 93-8 according to Plat No. 94-72 filed in the Fairbanks Recording District, Fourth Judicial District, State of Alaska, subject to reservations and exceptions of record. Said tract located within Sections 9, 15 and 16, Township 2 North, Range 2 East, Fairbanks Meridian.

The holder of this Certificate of Appropriation shall comply with the following conditions:

1. Follow acceptable engineering standards in exercising the water right granted by this certificate.
2. Except for claims or losses arising from negligence of the State, defend and indemnify the State against and hold it harmless from any and all claims, demands, legal actions, loss, liability and expense for injury to or death of persons and damages to or loss of property arising out of or connected with the exercise of the water right granted by this certificate.
3. Comply with all applicable laws, regulations, and conditions.
4. Certificate holder is responsible for obtaining and complying with all other authorizations (federal, state, or local) that may be required.
5. Notify the grantor of any change of address, transfer of any real property identified in this certificate, or proposed change in the water appropriation.
6. Maintain a metering system acceptable to the grantor and submit monthly water use records annually to the grantor.
7. Certificate holder shall remain in compliance with the regulations and requirements of the Alaska Dam Safety Program.
8. If a field inspection becomes necessary, the certificate holder shall cover the cost of the inspection.
9. This water appropriation is subject to an annual administrative service fee in accordance with 11 AAC 05.010(a)(8)(M).
10. If the grantor determines that this appropriation unduly affects a prior appropriator's ability to obtain water in accordance with his or her permit or certificate, this appropriation may be amended or water use may be curtailed until the prior appropriator can again obtain water under his or her prior right. Those individuals within the same area that do not have water rights may also be required to curtail taking water.



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The water right is granted subject to the pertinent statutory provisions in AS 46.15 and Administrative Regulations in 11 AAC 93.

This Certificate of Appropriation is issued by authority of AS 46.15.080, AS 46.15.120, 11 AAC 93.120, and 11 AAC 93.130 on December 21, 2011.

APPROVED medd walt

TITLE Natural Resource Manager II

STATE OF ALASKA)
3rd JUDICIAL DISTRICT) ss.

This is to certify that on December 21st, 2011 before me appeared Michael Walton known by me to be the director or authorized representative of the Division of Mining, Land and Water, Department of Natural Resources, and acknowledged to me that this Certificate of Appropriation was voluntarily executed on behalf of the State of Alaska.

Christine Ballard
Notary Public in and for the State of Alaska

With office
My Commission Expires



After recording return to:
State of Alaska
Department of Natural Resources
Division of Mining, Land and Water
Water Resources Section
3700 Airport Way
Fairbanks, AK 99709-4699

State Business – No charge

