Kensington Gold Project
2009 Annual Report

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2. Kensington Marine Mammal Report – 2009 Transportation Action Strategy, September 2009, Liz Flory, Juneau, AK

3. TSF Ecological Monitoring: Upper Slate Lake Dolly Varden Survey, January 2010, Liz Flory, Juneau, AK

4. Terrestrial Wildlife Monitoring Plan – Slate Lakes Basin, January 2010, Aquatic Science Inc, Juneau, AK

References

1. Coeur Alaska, Inc., 2009, Kensington Gold Project NPDES Permit AK-005057-1 Annual Water Quality Monitoring Summary Volume 1: Aquatic Resource Surveys 2009.
2. Coeur Alaska, Inc., 2009, Kensington Gold Project NPDES Permit AK-005057-1 Annual Water Quality Monitoring Summary 2009 Volume 2: Water Quality Data.

Introduction

The Kensington Gold Project is owned and operated by Coeur Alaska, Inc. (Coeur) a wholly owned subsidiary of Coeur d'Alene Mines, Inc. The project is located on the western and southern flanks of Lions Head Mountain; between Berners Bay and Lynn Canal; and in the drainages of Johnson, Sherman, and Slate Creeks (See Figures 1-10). Coeur Alaska has prepared this annual report to comply with requirements of the U.S. Forest Service (USFS) Plan of Operations (POO) for the Kensington Gold Project.

The Kensington Gold Project received authorization under the POO on June 13, 2005. The Final Supplemental Environmental Impact Statement, U.S. Forest Service Record of Decision and all necessary major permits were issued prior to year end 2005. Coeur Alaska issued construction contracts and ground breaking was initiated during July 2005.

An injunction was granted by the Ninth Circuit Court of Appeals on August 2006 which led to the suspension of construction activities associated with the Slate Lake Tailings Facility. On June, 27, 2008, the U.S. Supreme Court granted the State of Alaska and the Company's Petitions for a writ of certiorari to review the Ninth Circuit Court of Appeals decision relating to the Kensington 404 tailings permit. Oral arguments were presented to the U.S. Supreme Court on January 12, 2009. Site care and maintenance was conducted at the site from January to June 2009, awaiting a decision from the Supreme Court regarding the Ninth Circuit ruling. The Supreme Court issued a ruling favorable to Coeur Alaska on June 22, 2009 reversing the judgment of the Ninth Circuit Court resulting in the Ninth Circuit court dissolving its injunction in July 2009. The Army Corp of Engineers (ACOE) issued Permit Modification POA-1990-592-M6 and lifted the suspension of Permit Modification POA-1190-592-M on August 14, 2009. With the issuance of permit modification POA-1990-592-M6 and the lifting of the suspension of Permit Modification POA-1190-592-M, construction activities at the Tailings Treatment Facility (TTF) resumed with construction activities on the dam embankment and tailings conveyance pipeline. Construction activities are scheduled to be completed in the 2nd half of 2010 with operations beginning in the 3rd or 4th quarter of 2010.

Section 1.0 contains a synopsis of the activities conducted at the Kensington Gold Project during calendar year 2009, and Section 2.0 contains projections of activities planned for calendar year 2010.

Construction activities and operations have been consistent with the approved POO. No gold production occurred during calendar year 2009.

Summary of 2009 Activities

1.0 Public Safety

Public access to the project site is managed as defined in the established Public Access Control Plan. Public access to the site must be controlled to ensure the safety of the public. During the construction and operational phases of the Project, hazards such as truck traffic, blasting, barge and tug operations, clearing operations, and earthwork could result in physical harm to unauthorized visitors.

During 2009, personnel accessed the site via boat and rotary wing aircraft. Agency inspections and other public personnel generally accessed the site by fixed winged aircraft and boat.

Supplies and equipment for the facility are delivered by barge to the Slate Creek Cove Marine Terminal.

2.0 Construction Activities

Construction activities primarily focused on the dam embankment and tailings conveyance pipeline. Additional site infrastructure construction continued into 2009 Construction activities are scheduled to be completed in the 2nd half of 2010 with operations beginning in the 3rd or 4th quarter of 2010.

The majority of surface disturbance associated with construction was completed in 2005 and 2006 as outlined in the project disturbance summary Table 1. Only site care and maintenance was conducted at the site from January to June 2009, awaiting a decision from the Supreme Court regarding the Ninth Circuit ruling. Following the favorable decision from the Supreme Court and the Army Corp of Engineers (ACOE) issuance of Permit Modification POA-1990-592-M6 and lifting of the suspension of Permit Modification POA-1190-592-M, construction activities focused primarily on completing the dam embankment and tailings conveyance pipeline. Additional construction activities included the installation of a new Kitchen, Dining, and Recreational (KDR) facility, partial installation of a new 120 man dorm facility, site grading for an expansion of the Comet water treatment plant, and preparatory work for the installation of an assay lab. Activities also continued on commissioning the mill and crusher facilities. The water treatment plant and associated ponds and infrastructure received upgrades and were operated and maintained through the year in accordance with the NPDES Permit. Access to the mine, along with the underground mine workings were maintained.

Underground exploration, definition, and geotechnical drilling occurred in 2009. A total of 10,426 feet of drilling was conducted in 2009 with 4,086 feet being part of the exploration program, 5,520 feet being part of the definition drilling program, and 820 feet as part of a geotechnical assessment.

2.1 Storm Water Controls

Construction operations on both the Jualin and Comet sides of the Kensington Gold Project were conducted in compliance with Storm Water Pollution Prevention Plan (SWPPP) requirements. Both temporary construction Best Management Practices (BMPs) and sediment pond BMPs were utilized to control excess sediment production from disturbed areas that otherwise might enter waters of the state. A full description of storm water controls can be found in the Storm Water Pollution Prevention Plan (SWPPP) for the Kensington Gold Project, April 2009.

Sediment ponds and silt fences were maintained, and existing check dams were also maintained throughout the site. Additional interim stabilization activities at Lower Slate Lake were conducted in 2009. Designs for these construction BMPs are discussed in the SWPPP. Most operational (long-term) sediment ponds were constructed during 2005, and all were constructed as designed in the SWPPP Addendum B. Interim stabilization measures conducted in 2009 involved the installation of a temporary water treatment plant at the tailings treatment facility as described in Addendum I entitled Lower Slate Lake Storm Water Management Plan (August 6, 2009).
The nature of construction BMPs is transitory; i.e., they change in response to site conditions and the rapidly evolving ground conditions encountered during construction. Therefore, designs are dependent on site conditions, which may change day by day. However, as construction elements are completed, operational BMP sediment ponds can be developed or eliminated, which discretely demonstrate compliance with the SWPPP as amended.

In addition to SWPPP monitoring and inspections, site receiving water monitoring was also conducted in compliance with the current site NPDES permit to help document compliance with state water quality standards. Receiving water sampling data are discussed below under NPDES monitoring (section 1.9.1).

2.2 Corps of Engineers Wetland Disturbance

An annual summary of wetland areas impacted and reclaimed is a requirement of the Corps of Engineers (COE) 404 fill permit. Wetland areas impacted are tallied in Table 2. Overall, total fill in waters of U.S. as of December 2009 was 49.8 acres

An application to modify the 404 permit with the revised wetland impact acreages was prepared and submitted to the COE in January of 2009. The Army Corp of Engineers (ACOE) issued Permit Modification POA-1990-592-M6 and lifted the suspension of Permit Modification POA-1190-592-M on August 14, 2009.

2.3 Access Corridors

Road improvements during 2009 were an ongoing priority of project. Continued road surfacing and interim reclamation seeding were major improvements to the road projects

in 2009. The maintenance of storm water BMPs along the Jualin and Kensington access corridors were also a major ongoing priority for 2009.

3.0 Mine Operations

3.1 Ore Production

Mining operations had not commenced during the reporting period, and no ore was milled. However, limited underground development activities did occur during the year.

3.2 Development Rock Production

No mine development rock production was conducted in 2009.

3.3 Dust Suppression Activities

During this period the project's climate was exceptionally wet and very limited road watering via water wagon was required. When extended periods of dry weather were encountered road watering activities were utilized to control fugitive dust.

4.0 Mill Operations

Activities continued on the mill bench and included continued set-up and commissioning of the milling facilities inside of the mill and crusher buildings for the eventual milling of ore from the underground workings. Full operation of the mill facility is planned to begin in the 3rd or 4th quarter of 2010.

4.1 Gold Production

No gold or gold equivalent was produced during the reporting period.

4.2 Tailing Production

As the tailings treatment facility was not completed in 2009, thus the project was not operational during 2009, therefore no tailings were produced.

5.0 Solid/Hazardous Waste Generation and Transport

Solid waste was generated from the Comet and Jualin sides of the Kensington Gold Project, including: incinerator ash, construction debris, worn cable, tires and broken equipment. This material was managed in accordance with the approved ADEC Solid Waste Management Permit. Coeur Alaska generated approximately 57.47 tons of solid waste, including 0.5 tons of incinerator ash and 1.49 tons of tires. Additionally, approximately 39.2 tons of scrap metal was recycled. These materials were shipped to Juneau, then transported to disposal facilities or otherwise managed according to controlling regulations and permits

In an effort to reduce the quantity of solid waste being sent to the landfill, a site recycling program was established in 2008 and continued to be a utilized in 2009. Additional

collection sites were established around the site in 2009 to ensure that recyclable materials were incorporated into the recycling program. Training was provided to site personnel on the recycling program in 2009.

Hazardous waste, including Universal waste, generated at the site could include:

- Lead/acid batteries
- Light Bulbs
- Lamps
- Paint and paint related waste
- Computer backup power supplies

Universal wastes (batteries, lamps, mercury switches) need not be manifested. In no month was more than 100 kg of hazardous waste generated, accumulated, or transported for disposal.

6.0 Tailings Treatment Facility

Following the favorable decision from the Supreme Court, the Army Corp of Engineers (ACOE) issued Permit Modification POA-1990-592-M6 and lifted the suspension of Permit Modification POA-1190-592-M on August 14, 2009. Construction activities on the tailings treatment facility began after the issuance of the permit modification. The tailings treatment facility construction recommenced with the Zone A-1 material all placed at year end and the Zone A material nearly complete for Phase I. The seepage collection system was installed and an aggressive dental grout and shotcrete program completed to prepare the embankment foundation for construction.

Prior to commencing construction, an electromagnetic survey and geologic mapping were conducted for the borrow site and embankment foundation at the tailings treatment facility. The survey and geologic mapping determined that the graphitic phyllite material was present in the planned borrow site and an alternate borrow site was identified for the embankment material.

Interim stabilization measures were conducted at the facility as described in the approved Addendum I to the SWPPP.

7.0 Compliance

One Notice of Violation (NOV) was issued to Coeur Alaska by the Environmental Protection Agency (EPA) for water quality standard exceedances in Slate Creek associated with low pH water entering the drainage from a graphitic phyllite formation exposed during construction activities at Lower Slate Lake.. The phyllite material was exposed during the construction activities that were suspended by the temporary injunction. Had the construction continued the conditions that currently create low pH water from the insitu materials in the area of the previously planned tailings treatment facility dam would have been stabilized.

All reporting was completed as required by permit conditions. One component of this document is the reporting of spills. Each spill that occurred during 2009 was taken very seriously and all site resources were utilized, as appropriate for each occurrence. The spills were all properly reported and cleaned up in accordance with ADEC guidelines. (Refer to Table 3). A bioremediation cell was designed, permitted, and constructed during 2008. Soil that had previously been excavated from a construction related spill was screened and placed into the bioremediation cell with the appropriate nutrients to begin the remediation process. The bioremediation cell was aerated on a weekly basis and samples were collected on a monthly basis at a minimum to ensure that biological activity and the reduction of TPH concentrations was occurring in the cell. Eight samples were collected in September 2009 that indicated the DRO levels were below the method 2 clean-up standards. A closeout letter dated September 22, 2009 was received from the Alaska Department of Conservation (ADEC) allowing the removal of the soil from the biocell as the DRO levels were below the method 2 clean-up standards.

During the 2009 year, the following sixteen guidelines were updated in various aspects of environmental management at the site to ensure permit compliance:

- Johnson Creek In-stream flow monitoring
- Daily TSS Sampling
- Labeling
- Hazardous and Non-Hazardous Waste Handling
- Spill Response Notification
- Empty Container Management
- Fueling Guidelines
- Hydrocarbon Contaminated Soil
- NOx Analyzer
- Purchasing
- Secondary Containment Pumping
- Sample Container
- Site Recycling
- Equipment Washing
- NPDES QA/QC
- Septic Spill Clean-Up

8.0 Reclamation

No permanent concurrent reclamation was performed in 2009; however, interim seeding stabilization associated with topsoil stockpiles, road ditches, and the area adjacent to Lower Slate Lake was performed as a BMP under the approved SWPPP plan and Interim Reclamation Plan.

8.1 Revegetation Test Plots

Revegetation test plots were to be installed at the Tailings Treatment Facility (TTF) following construction of the Phase I dam and flooding of the reservoir. Construction of

the dam and TTF were initiated late in 2009 and is planned to be completed in the second half of 2010. The test plots were not installed during the reporting period as the construction is not planned to be completed until the second half of 2010.

9.0 Monitoring

9.1 NPDES

Results of the extensive monitoring program contained in the Kensington Gold Project NPDES permit AK-005057-1 are compiled in Volume 1: Aquatic Resource Surveys and Volume 2: Water Quality Data of the NPDES Annual Water Quality Monitoring Summary 2009 (Coeur, 2009). This report will be submitted to the US Forest Service, Juneau under separate cover.

9.2 Fresh Water

Fresh water monitoring requirements are contained within the USFS POO. Monitoring performed for the NPDES permit and summarized in the Kensington Gold Project NPDES Permit AK-005057-1 Annual Water Quality Monitoring Summary 2009 Volume 2. Water Quality Data are inclusive of the requirements under the USFS POO. This report will be submitted to the US Forest Service, Juneau and EPA, Seattle under separate cover, as the NPDES 2009 Annual Report.

9.3 Water Usage

Under requirements of the ADNR water rights, certain water usage and stream flow submittals are prepared. Some of these filings are made monthly while others are submitted quarterly. These reports are available at ADNR's offices, Juneau.

9.4 Aquatic Resource Surveys

The USFS POO references aquatic resource surveys, which are to include:

- Annual photographs of stream habitat types.
- Fish surveys and minnow trapping in Upper Slate Lake.
- Salmon escapement surveys in Sherman, Slate, and Johnson Creeks.

Annual photographs of stream habitat types are included in the Kensington Gold Project NPDES Permit AK-005057-1 Annual Water Quality Monitoring Summary Volume 1: Aquatic Resource Surveys 2009.

Salmon escapement surveys were performed in 2009 on Sherman, Slate, and Johnson Creeks. Tabulations of these data are presented in the Kensington Gold Project NPDES Permit AK-005057-1 Annual Water Quality Monitoring Summary Volume 1: Aquatic Resource Surveys 2009.

9.5 Marine

The U.S. Forest Service Plan of Operations Appendix 4.d. contains a marine monitoring program for Berners Bay. Requirements of this monitoring plan have been contracted to various agencies that are responsible to implement and report on portions of the plan.

Between April 13 and May 14, Coeur conducted a total of forty-one surveys from the m/v Sentinel and five surveys were made from Slate Cove dock to monitor marine mammal numbers in Berners Bay, with particular emphasis on Stellar sea lions and humpback whales. Monitoring of mammals within the Bay was completed during 2009 by a marine observer on the vessel during all trips traveling to and from the mine site over Berners Bay. Survey results were forwarded to the NMFS Office of Protected Resources, Juneau in the spring of 2009. These survey findings, along with weekly ADF&G herring surveys were utilized in the NMFS adoption of April 29th thru May 14th as the 2009 "eulachon spawning season." Please refer to attachment 2 for additional information related to the marine surveys.

9.6 Air

During the reporting period, bi-annual Facility Operating Reports, including fuel use summaries, were submitted to the Fairbanks office of ADEC Air Permits Program (610 University Avenue) in compliance with ADEC air quality permits. These reports are not reproduced here, but can be provided upon request.

9.7 Archeology

Surface disturbance activities within historic areas were completed during 2005. Additional surface disturbance in 2009 was associated with the tailings conveyance pipeline route which had been previously surveyed for historical artifacts.

Mr. Urion had been to the mine site to film on both the Comet and the Jualin side in the fall of 2006. He filmed at the Comet side of the mine again in spring of 2007. Mr. Urion also completed his research and a script for a DVD format film. Mr. Urion was scheduled to complete the filming in the spring of 2008 after another visit to the Jualin side of the project area, but due to the unexpected death of Mr. Urion in 2008, the filming was not completed as scheduled in 2008. During 2009, Coeur obtained the existing film that was compiled by Mr. Urion, but no script could be found. Coeur is in the process of contracting a qualified historian to follow-up with filming and preparation of an associated script documenting the history of the Berners Bay Mining district.

No archaeological testing, monitoring, or other data recovery activities were conducted at the Kensington-Jualin mine during 2009. As indicated in Appendix A of the MOA, probing and testing of Features F and T will be conducted once the mine is in operations.

Training was conducted for all new employees in addition to the recurring annual refresher training for all Coeur employees in 2009.

9.8 Tailings Treatment Facility Ecological Monitoring Plan

Dolly Varden spawning activities are documented for the ultimate closure of the tailings treatment facility. This study is included in Attachment 3.

9.9 Berners Bay Transportation Plan

Marine vessel transport occurred between Juneau and Slate Cove or Comet Beach. Heavy equipment and supplies were transported via barge or landing craft and were received at Slate Cove or Comet Beach. Additionally, mine employees were transported via boat and were also received at Slate Cove. Marine waters around all marine facilities discussed above were open to public access.

It is a requirement of the Berners Bay Transportation Policy, Mitigation, and BMP Plan to collect information on company marine vessel encounters with special fish, marine mammals, and important bird species during the eulachon spawning season in Berners Bay. This information is documented in Attachment 2.

9.10 Development Rock, Borrow Source, and Tails Material

Development rock and tailing sampling for acid base accounting (ABA) is a requirement of the POO. No development rock was produced in 2009, thus no sampling of development rock was conducted in 2009.

No tails were generated during 2009. Future quarterly sampling of tailing for acid base accounting will commence following project commissioning and commercial production.

9.11 Construction/Excavation Dewatering (Non-Stormwater)

No construction/excavation dewatering (Non-Stormwater) occurred at the site during 2009. Groundwater intercepted in the mine workings is treated and discharged to Sherman creek. This discharge is authorized under EPA NPDES permit AK-005057-1.

9.12 Tailings Treatment Facility Monitoring

During 2009, construction activities resumed at the tailings storage facility after being suspended in 2006 due to an injunction. Construction activities are planned to be completed in the second half of 2010. No tailings were placed in the tailings treatment facility in 2009, thus no water balance measurements are available.

9.13 Wildlife

9.13.1 ADFG Goat Monitoring

Mountain goat monitoring in the Lions Head Mountain area associated with the Kensington Gold Project has been conducted intermittently since the late 1980's, in part to help determine potential future mine impacts on this population. An updated ADFG goat study is included with this report as Attachment 1.

9.13.2 Terrestrial Wildlife Monitoring – Slate Lakes Basin

Wildlife Monitoring was conducted during 2009 in accordance with the Kensington Project Terrestrial Wildlife Monitoring Plan. This plan was designed to ensure that environmental impacts to wildlife resources in the Slate Lakes basin area are mitigated during both construction and operation of the Kensington Project and that the reclamation process includes a plan to support and encourage use by local wildlife.

10.0 Avalanche Safety Plan

Coeur Alaska maintains an avalanche hazard awareness and mitigation safety plan during the winter season. A qualified Avalanche Program Director is retained to:

- Identify and quantify the snow avalanche safety hazard
- Prepare recommendations on managing that hazard
- Train employees and contractors in pertinent requirements of the resulting safety plan
- Prepare daily hazard forecasts and perform potential avalanche control activities

Because of the steep terrain adjacent to the site and large quantities of snow-fall, risk avoidance cannot be accomplished in all cases. Therefore, an active avalanche risk mitigation program was initiated. This involves the use of explosives to initiate controlled release of smaller avalanches so as to reduce the risk of naturally triggered larger and more destructive avalanches.

During 2009, active control work was required and performed. During the 2009 reporting period,

- Areas of avalanche risk were placarded
- Crews were informed of avalanche hazards and the appropriate responses to those hazards
- Daily risk forecasts were prepared and communicated to crews, based on site weather and snow condition data
- Avalanche rescue equipment was located on-site
- Crews were trained in their roll in avalanche rescue operations and the use of the rescue equipment – as appropriate
- Avalanche control was utilized on several occasions through the use of an avalancher and explosives.

During the reporting period, site activities were not curtailed as a result of identified avalanche hazards. No personnel were caught or injured in avalanches, nor were any facilities or material negatively impacted.

11.0 Dam Safety Oversight Status

Construction activities on the tailings treatment facility began after the issuance of the Permit Modification POA-1990-592-M6 on August 14, 2009 by the ACOE. Alaska Department of Natural Resources - Dam Safety division conducted two inspections of the dam embankment construction during 2009.

Projected Activities for 2010

Key Issues and Permitting Activities

The Supreme Court issued a ruling favorable to Coeur Alaska on June 22, 2009 reversing the judgment of the Ninth Circuit Court resulting in the Ninth Circuit court dissolving its injunction in July 2009. The Army Corp of Engineers (ACOE) issued Permit Modification POA-1990-592-M6 and lifted the suspension of Permit Modification POA-1190-592-M on August 14, 2009. With the issuance of permit modification POA-1990-592-M6 and the lifting of the suspension of Permit Modification POA-1190-592-M, construction activities at the Tailings Treatment Facility (TTF) resumed with the construction activities on the dam embankment and tailings conveyance pipeline. Construction activities are scheduled to be completed in the 2nd half of 2010 with operations beginning in the 3rd or 4th quarter of 2010.

Coeur Alaska, Inc. currently holds NPDES Permit AK-005057-1 for its Kensington Mine Project. A NPDES permit renewal application is due to ADEC and EPA on or before March 1st.

An expansion of the existing comet water treatment system is planned to be constructed in 2010. In 2008, Golder evaluated the historical mine discharge flows and collected in-mine flow measurements during 2008 to estimate future inflow to the mine workings during operations With the expansion of this treatment system, the design maximum flow will be increased to 3,000 gpm to account for flows during a very wet month. In addition, a treatment system to remove ammonia and nitrate to ensure permit limits are met is planned for design and construction in 2010. The purpose of the Ammonia and Nitrate Treatment System is to remove ammonia and nitrate as necessary to meet permit limits for Outfall 001.

Coeur Alaska, Inc. currently holds a Title I minor source air quality permit AQ0111MSS01 Revision 2 issued January 13, 2006 which sets forth permit conditions for the Kensington Mine. During the construction phase of the Kensington Mine some components of the mine plan have been modified from those currently permitted. An application was previously submitted to ADEC to revise the terms and conditions of the permit and to establish additional owner requested limits (ORLs) consistent with the operational needs of the current mine plan. A revised permit is expected to be issued by ADEC in 2010.

The Department of Environmental Conservation (ADEC) has determined that the State Solid Waste Management Permit combined with the Section 401 certification of the Corps of Engineers permit will not be renewed in the same form, and an Integrated Waste Management Permit will required for the project. An application will be submitted to ADEC by April 5, 2010 to obtain a waste management permit for the project.

The current waste water treatment plant has a design daily flow capacity of 5000 gal per day which will be able to accommodate approximately 100 personnel on-site. To accommodate increased construction personnel and operations personnel an increase of the waste water treatment plant and possibly the potable water treatment plant is planned for 2010.

1.0 Public Safety

No changes to the Public Access Control Plan are contemplated for 2010.

2.0 Mine Operations

Mine operations is planned to begin in the 2nd quarter of 2010.

3.0 Mill Operations

Mill Operations are expected to begin in the 3rd or 4th quarter of 2010.

4.0 Tailings Storage Facility

Construction is planned to be completed in the 2nd half of 2010.

5.0 Access Corridors

Most access road and corridor upgrades were completed in 2006. Road maintenance of the access corridors will continue in 2010.

6.0 Reclamation

No final reclamation is anticipated to occur in 2010.

7.0 Proposed Modifications to Monitoring Plans for 2010

Modifications to the tailings treatment facility ecological monitoring plan and Fresh Water Monitoring Plan are planned in 2010 as part of the renewal to the NPDES permit.

8.0 Bonding

The Kensington Gold Project is currently bonded, including the tailings storage facility, as described in the 2005 FSEIS and USFS Record of Decision. Bonding activities have been coordinated with US Forest Service as needed with each revision. An update to the current reclamation plan and associated cost estimate is planned for 2010.

Table 1 Kensington Gold Project – Surface Disturbance

Area	Description	Status Dec. 2009	Permitted Disturbance Acreage – Total	Actual Disturbance -Acreage- Total
1	Kensington Comet Beach Camp	Existing / Permitted	3.2	3.2
2	Kensington Access Road	Existing / Permitted	8.1	8.1
3	Kensington Borrow Pit #1	Not built	1.5	1.5
4	Kensington Development Rock Stockpile	Existing / Permitted	14.3	7.3
5	Kensington Water Treatment Plant & Ponds	Existing / Permitted	4.3	3.7
6	Kensington Snow / Topsoil Stockpile	Existing / Permitted	2.1	0
7	Kensington 2050 Level Portal Development Rock Storage	Existing / Permitted	1.5	1.5
8	Jualin Process Area	Built	12.9	16
8A	Jualin Avalanche Berms & Road	Not built	0	0
9/9A	Jualin Development Rock Storage	Mostly Built	4.3	8.1
10	Jualin Storm Water Treatment Pond	Built	1.5	1.7
11	Jualin Process Area Snow/Topsoil Stockpile Area	Built	0.3	0.5
12	Jualin Pumphouse	Built	0.1	0.1
13	Jualin Access Road	Existing / Built	33.8	31.2
14	Jualin Laydown #1	Built	0.4	0.9
15	Jualin Laydown #2	Built	3.5	3.7
16	Jualin Laydown #3	Built	0.8	0.5
17	Jualin Administration Area	Built	2.5	5.7
18	Jualin Pit Source #1	Built	2	3.8
19	Jualin Pit Source #2	Built	1.3	1.3
20	Jualin Pit #3	Built	12.3	12.1
21	Jualin Pit #4	Not built	0.7	0
22	LSL Tailings Pipeline & Access Road (Upper)	Partially built	7.4	16.2
23	LSL Tailings Facility Access Road (Lower)	Mostly built	9.2	9.2
24	LSL Tailings Lake (tailings as fill)	Not built	39.9	0
25	LSL Tailings Lake Margin Working Area	Partially occupied	17.9	8.6
26	LSL Tailings Dam Borrow Source	Partially built	4.6	4.9
27	LSL Tailings Pipeline Road (Mill to Snowslide Gulch)	Partially built	10.1	4.5
28	LSL Tailings Dam & Plunge Pool Area	Partially built	6.8	8.6

Area	Description	Status 2009	Permitted Disturbance Acreage – Total	Actual Disturbance -Acreage- Total
29	Slate Creek Cove Marine Terminal	Built	1.9	4.1
30	Slate Creek Cove Snow/Stockpile Area	Built	0.2	0.7
31	Jualin Topsoil Stockpile	Built	0	0
32	Jualin Borrow Source #6	Partially built	0	3
33	Jualin Borrow Source #7	Built	0	1.6
34	Jualin Reclamation Material Area	Built	0	2.1
36	Tailings Area Topsoil Stockpile	Not built	0	0
	TOTALS		**209.4**	**174.4**

Table 2 - Kensington Gold Project – Wetlands Disturbance

Area	Description	Status 2009	Permitted Acres of Fill in Waters of the U.S. per 2005 Permit Table 1	Actual Waters of U.S. Acres Filled as of December 2009	Requested Acres of Total Fill in Waters of the U.S. 2009 update	Fill Volume (Cubic Yards)	Acres to be Reclaimed as Wetlands or Waters
1	Kensington Comet Beach Camp	Existing / Permitted	0	0	0	0	NA
2	Kensington Access Road	Existing / Permitted	0.9	0	0	0	NA
3	Kensington Borrow Pit #1	Not built	0.3	0	0	0	NA
4	Kensington Development Rock Stockpile Expansion	Existing / Permitted	5.1	1.1	4.5	220,000	8
5	Kensington Water Treatment Plant & Ponds and Expansion Area	Existing / Permitted	2.6	2.9	3.5	85,000	3.5
6	Kensington Snow / Topsoil Stockpile	Existing / Permitted	2.1	0	2.1	10,000	2.1
7	Kensington 2050 Level Portal Dev. Rock Storage	Existing / Permitted	0	0	0	0	0
8	Jualin Process Area	Built	1.1	2.0	2.0	97,000	NA
8A	Jualin Avalanche Berms & Road	Not built		0	0.3	23,000	NA
9/9A	Jualin Development Rock Storage	Mostly Built	4.3	2.0	2.5	121,000	1.7
10	Jualin Storm Water Treatment Pond	Built	0	0.1	0.1	1,500	NA
11	Jualin Process Area Snow/Topsoil Stockpile	Built	0	0.2	0.2	3,000	0.6
12	Jualin Pumphouse	Built	0.1	0.1	0.1	1,500	NA
13	Jualin Access Road	Existing / Built	8.2	7.7	7.7	37,000	0.6
14	Jualin Laydown #1	Built	0.4	0	0	0	NA
15	Jualin Laydown #2	Built	3.5	0	0	0	NA
16	Jualin Laydown #3	Built	0.8	0	0	0	NA
17	Jualin Admin. Area	Built	2.5	0.1	0.1	1,500	2.5
18	Jualin Borrow Source #1	Built	0	0	0		0.2
19	Jualin Borrow Source #2	Built	0.1	1.1	1.1	10,500	
20	Jualin Borrow Source #3	Built	2.4	1.2	1.2	11,500	6.0
21	Jualin Borrow Source #4	Not built	0.7	0	0	0	NA

Area	Description	Status 2009	Permitted Acres of Fill in Waters of the U.S. per 2005 Permit Table 1	Actual Waters of U.S. Acres Filled as of December 2009	Requested Acres of Total Fill in Waters of the U.S. 2009 update	Fill Volume (Cubic Yards)	Acres to be Reclaimed as Wetlands or Waters
22	LSL Tailings Pipeline & Access Road (Upper)	Partially built	4.7	4.3	4.3	41,500	4.3
23	LSL Tailings Facility Access Road (Lower)	Mostly built	0.3	1.3	1.4	13,500	2.8
24	LSL Tailings Lake (tailings as fill)	Not built	23.5	0	23.5	3,920,000	(23.5)
25	LSL Tailings Lake Margin Working Area	Partially occupied	8.5	10.9	10.9	500	8.7 (38.5)
26	LSL Tailings Dam Borrow Source	Partially built	0.3	0.3	0.3	3,000	0
27	LSL Tailings Pipeline Road (Mill to Snowslide Gulch)	Partially built	3.0	0.2	0.4	3,500	2.2
28	LSL Tailings Dam & Plunge Pool Area	Partially built	5.9	6.1	6.1	236,000	2.4
29	Slate Creek Cove Marine Terminal	Built	1.9	0.5	0.5	12,000	3.2
30	Slate Creek Cove Snow/Stockpile Area	Built	0.2	0	0	0	0.5
31	Jualin Topsoil Stockpile	Built		6.8	6.8	300,000	6.8
32	Jualin Borrow Source #6	Partially built		0.1	0.1	1,500	0
33	Jualin Borrow Source #7	Built		0.8	0		NA
34	Jualin Reclamation Material Area	Built	0	0	0	0	0
36	LSL Tailings Area Topsoil Stockpile	Not built		0	0.6	14,500	0.6
	TOTALS		**83.4**	**49.8**	**80.3**	**5,168,500**	**110.0**

Table 3

SPILL SUMMARY

Date of Spill	Time of Spill	Product Spilled	Quantity Spilled	Location of Spill	Cause of Spill or additional information	Area(s) Affected	Clean Up (Y/N)	Reported to State
3/1/09	7:00	Diesel Fuel	2-8 Gallons	Mine WTP	Faulty fuel filter was found leaking fuel on the ground	Land-Snow	Y	Y, Monthly Report
3/13/2009	11:00	Hydraulic Oil	1 quart	Mill containment area	Hydraulic Hose on loader bucket broke.	Land-Snow	Y	Y, Monthly Report
3/25/09	12:00	Diesel Fuel	5 Gallons	Mill Bench	Air Vent on Isocontainer was left open	Land-Snow	Y	Y, Monthly Report
6/28/09	3:55	Caustic Soda	<1 gallon	Jualin LZ	55 gallon drum was found leaking inside a connex and also leaked outside the connex	Land	Y	Y, Spill Hotline & Report
7/10/09	16:10	Grey Water	5 Gallons	Jualin sewer treatment plant	Overflow of receiving tank in the sewer treatment plant and onto the ground	Land	Y	Y, Verbal to DEC & Accidental discharge/spill notification form
9/19/09	21:30	Grey Water	5 Gallons	Jualin sewer treatment plant	Plugging of grit screen and overflow of receiving tank in sewer treatment plant and onto the ground.	Land	Y	Y, Verbal to DEC & Accidental discharge/spill notification form
9/24/09	16:30	Grey Water	0.5 Gallons	Jualin sewer water lift station	Float switch malfunctioned causing the lift station pump to not activate which allowed grey water to overflow onto the ground	Land	Y	Y, Verbal to DEC & Accidental discharge/spill notification form
9/27/2009	8:00	Diesel Fuel	2 ounces	Comet Water Treatment Plant	Diesel fuel leaked onto the ground as a result of a leaky fuel line on the fuel truck.	Land	Y	Y, Monthly Report
10/27/09	11:30	Diesel Fuel	9 gallons	TTF	Diesel fuel leaked from injector on light plant	Land	Y	Y, Monthly Report

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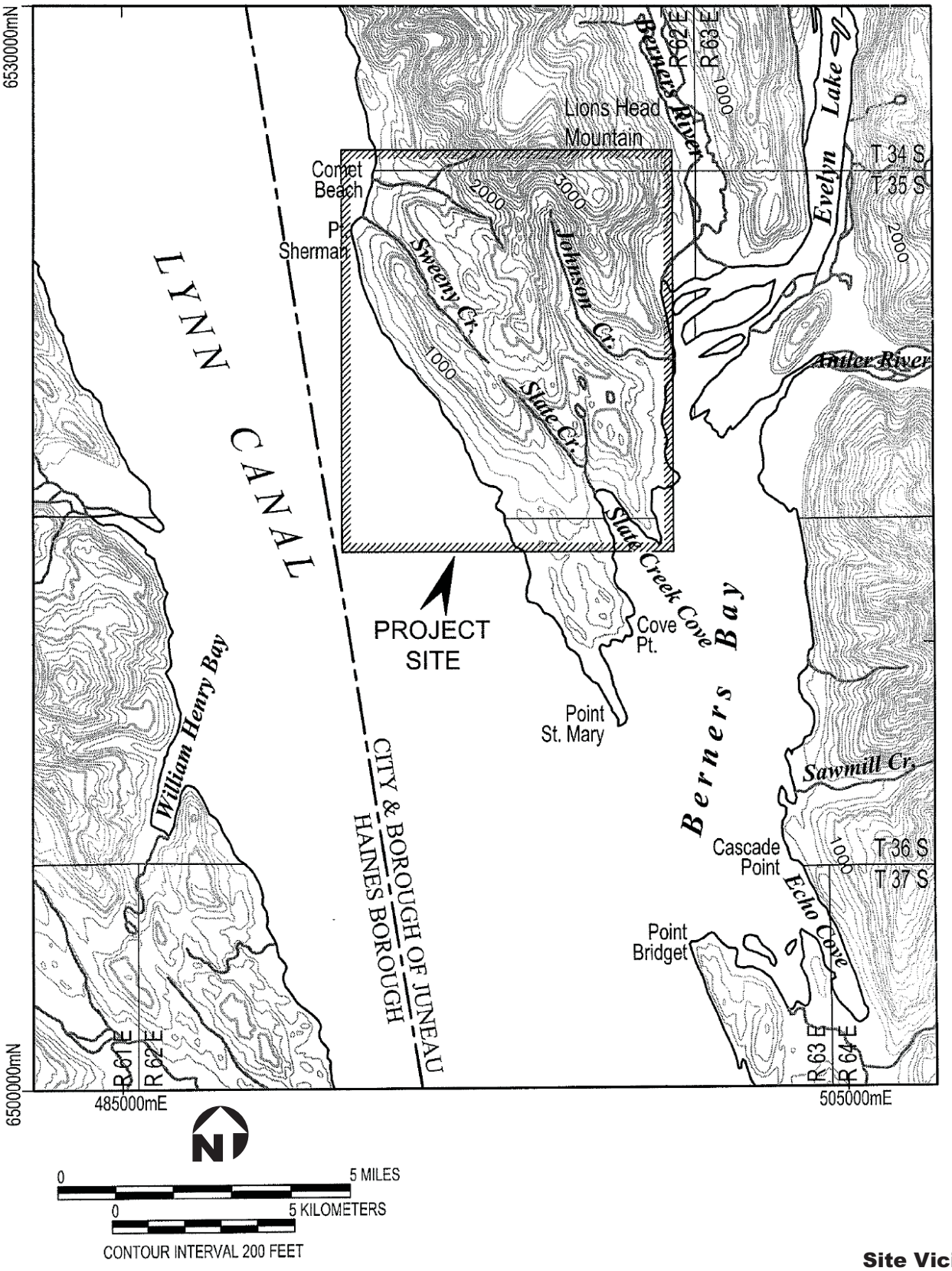


Site Vicinity

Applicant: Couer Alaska, Inc.
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

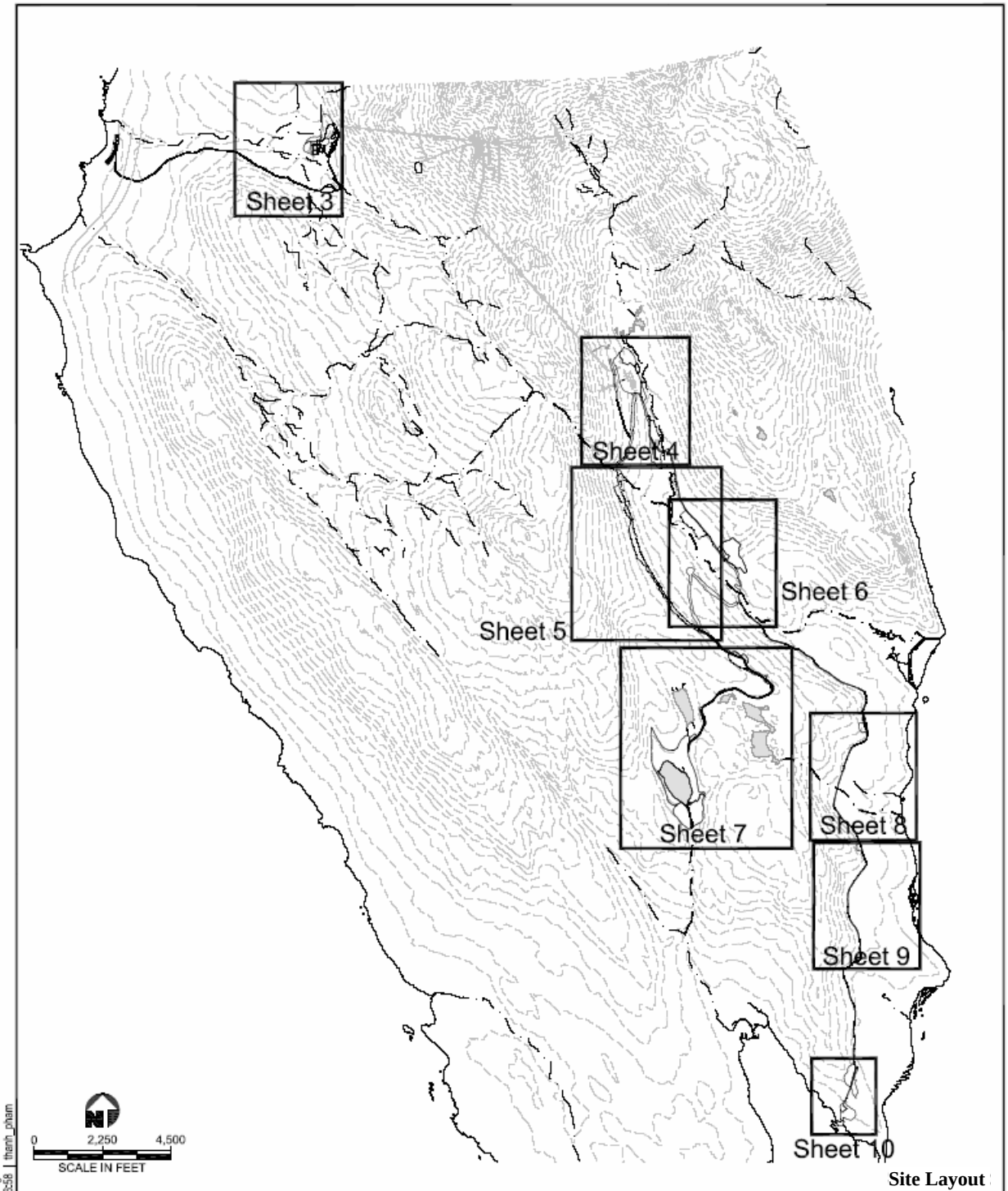
Adjacent Property Owners:
1. U.S. Forest Service

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 1 of 10
Date: December 2008



Site Layout

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 2 of 10
Date: December, 2008

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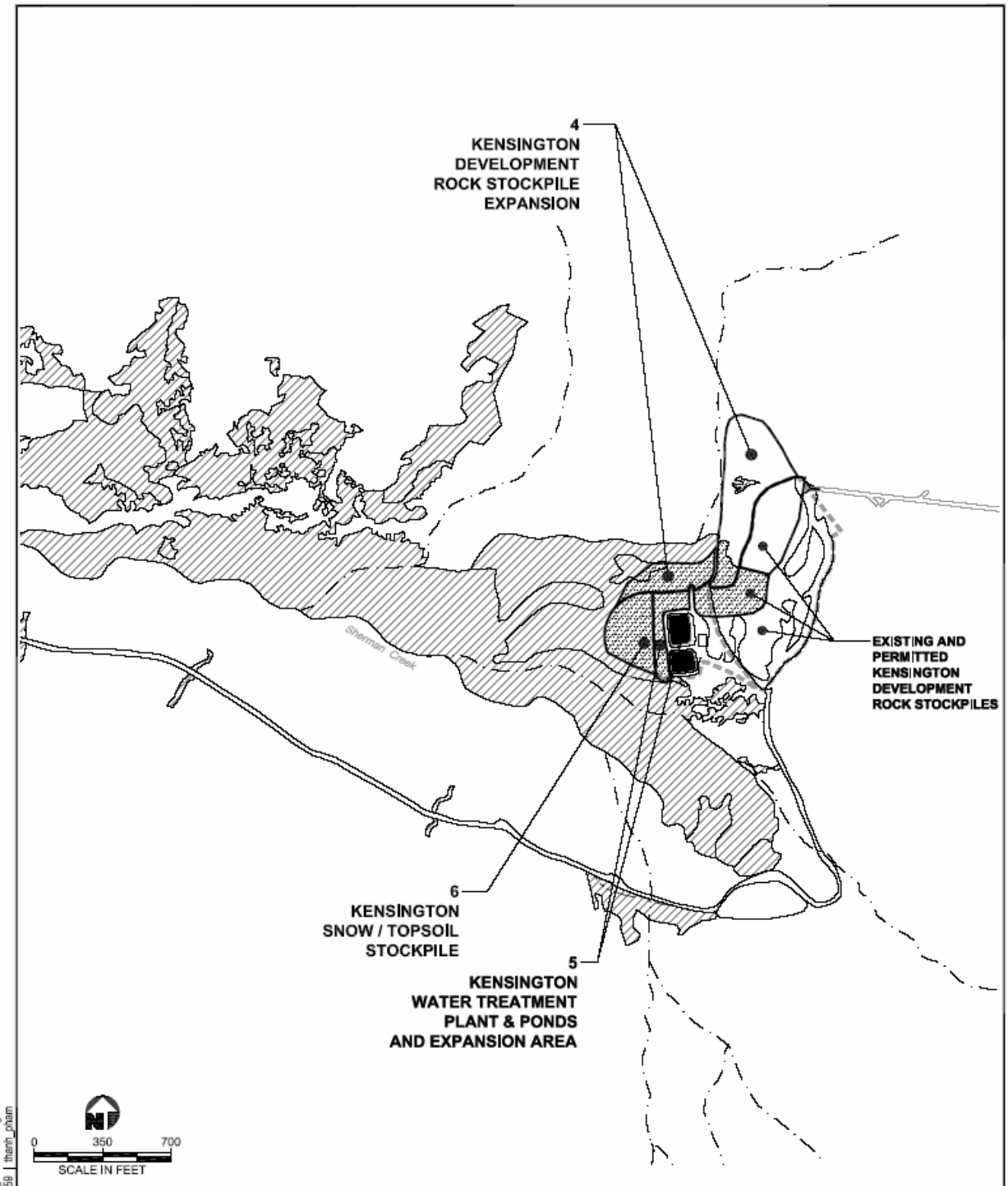

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Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact
- Existing Prior to Permitting

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

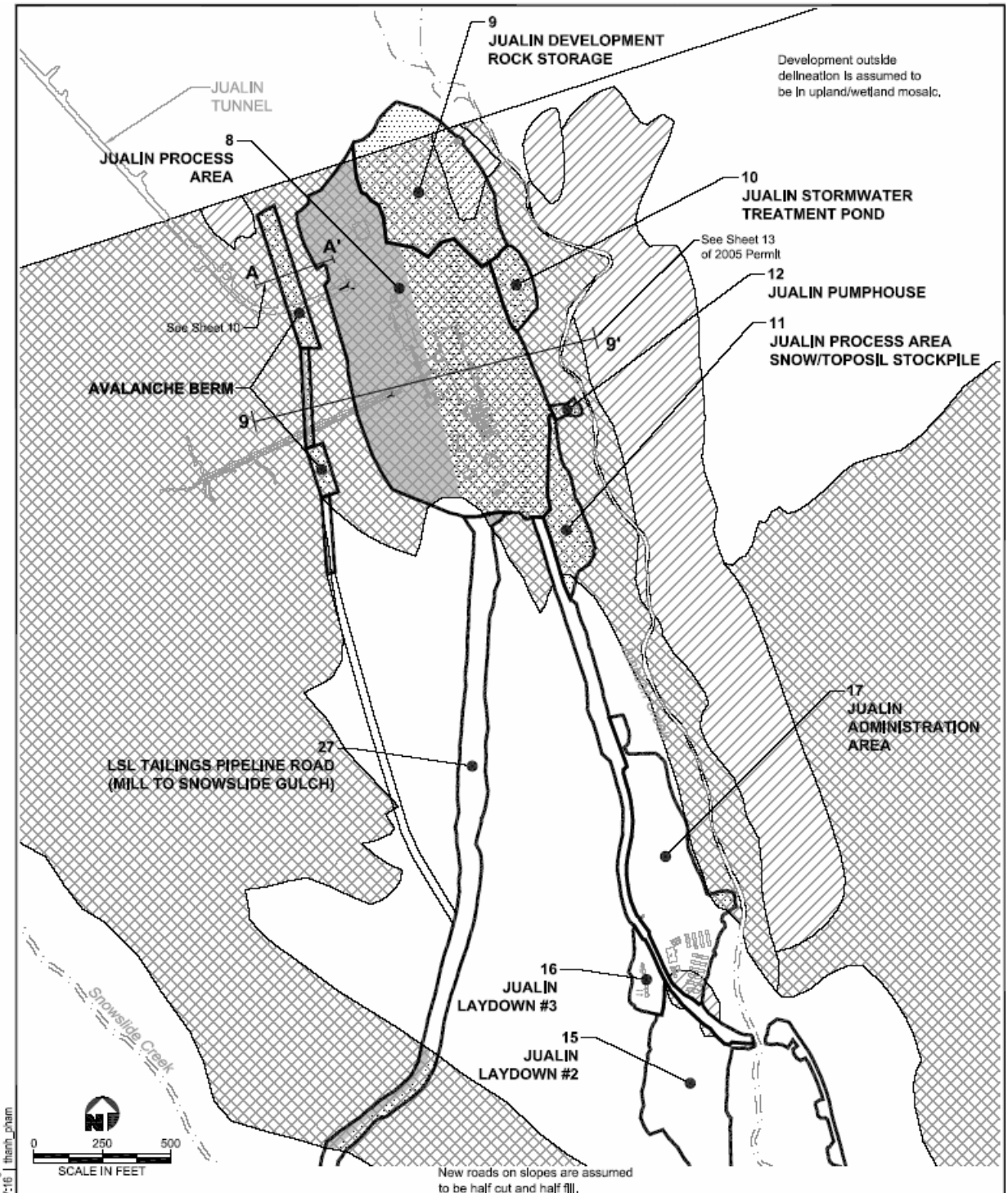
Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Burough of Juneau
State: Alaska

Sheet: 3 of 10
Date: December, 2008



Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Burough of Juneau
State: Alaska

Sheet: 4 of 10
Date: December, 2008

T:\Misc-Jobs\Coeur Alaska\JARPA\Sheet 3 Jualin.dwg
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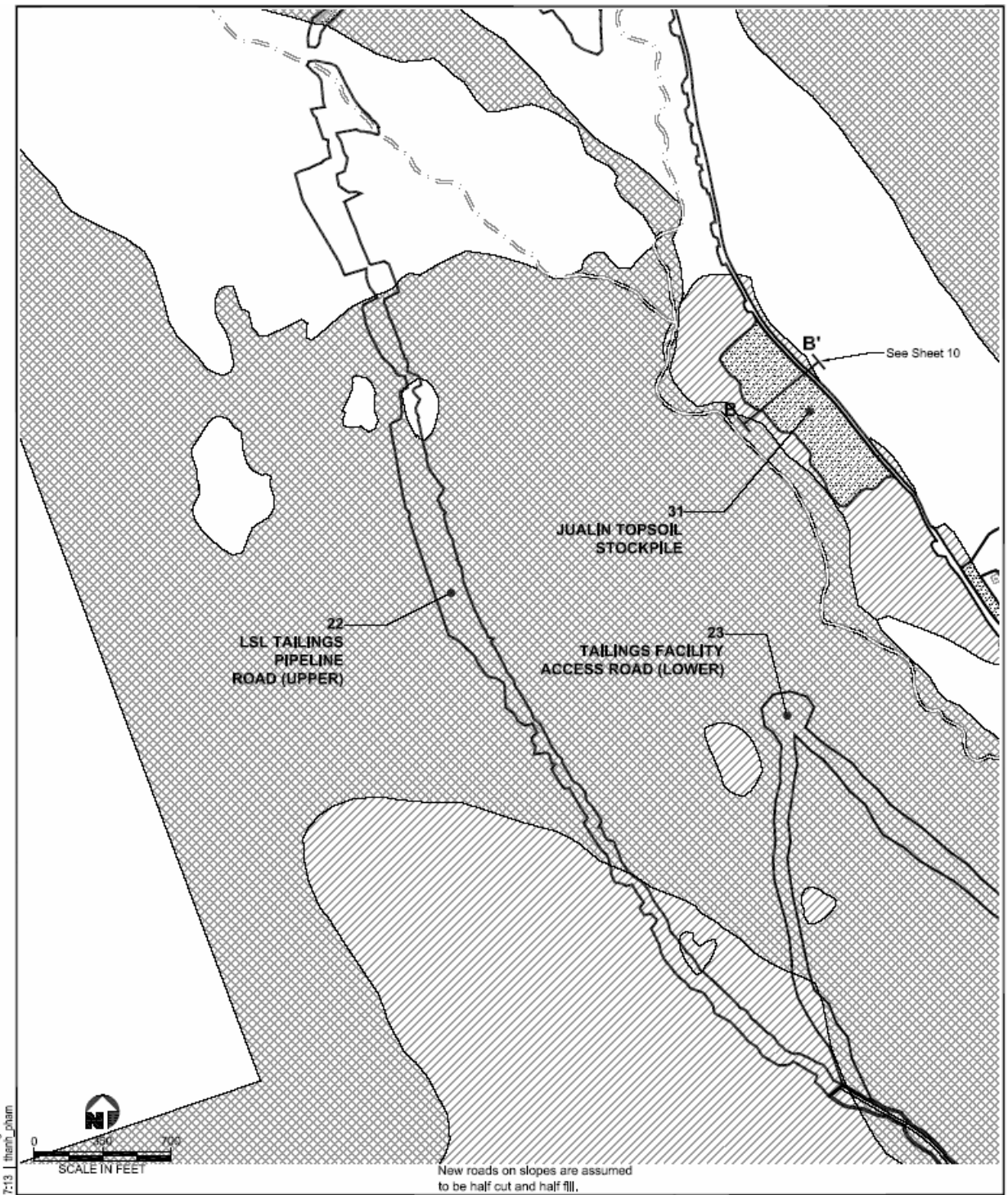

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Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

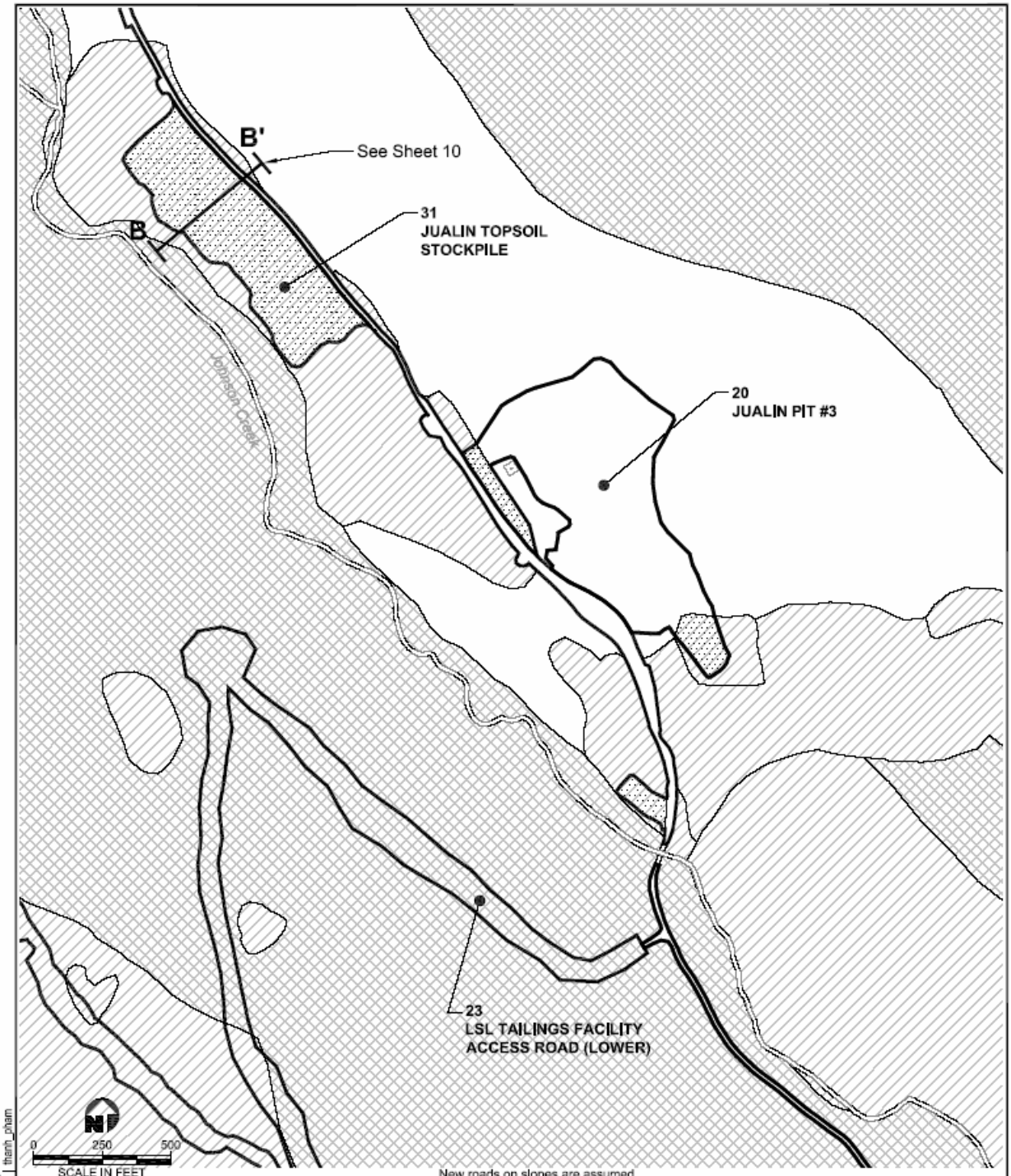
Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 5 of 10
Date: December, 2008



Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 6 of 10
Date: December, 2008

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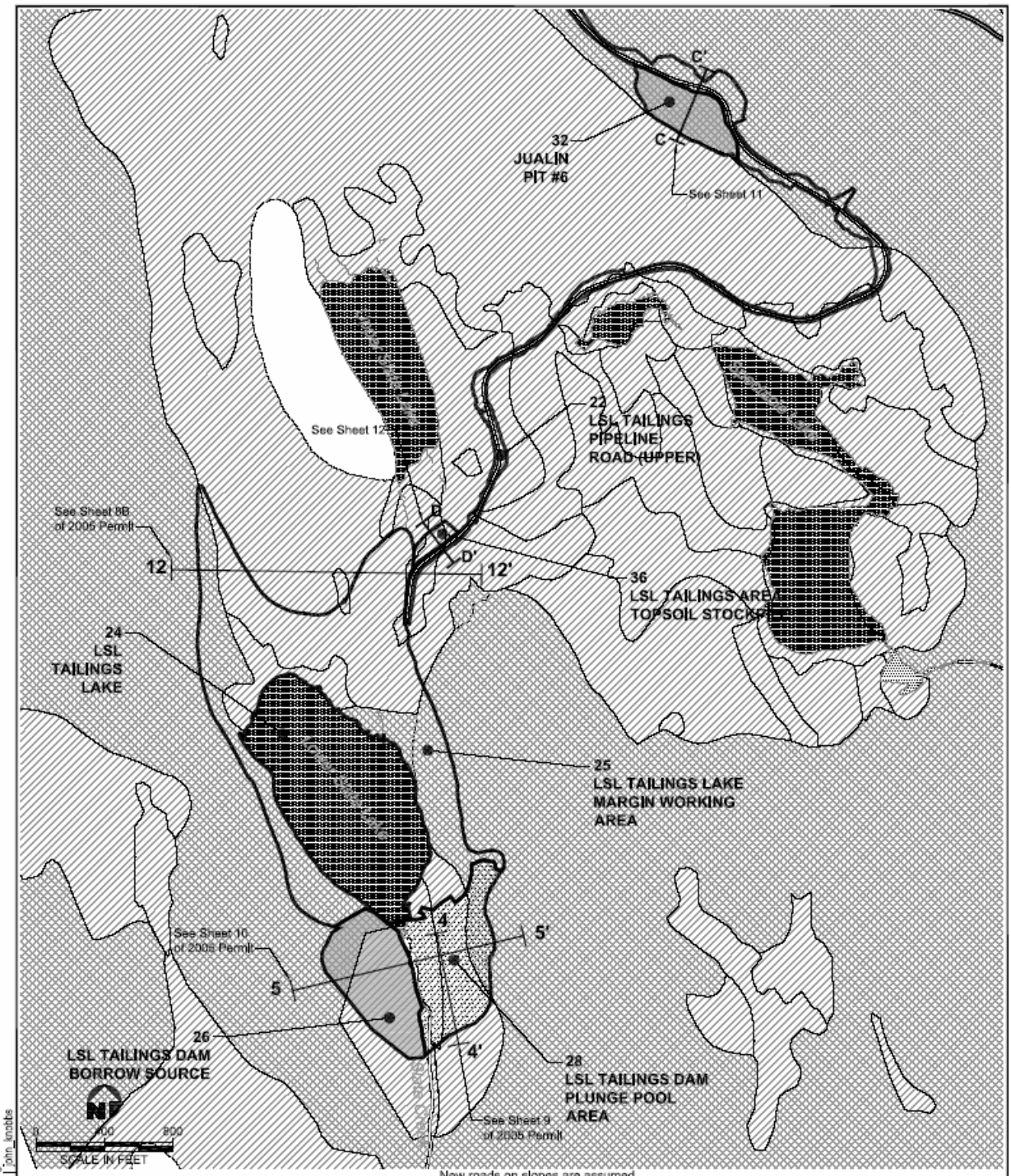

Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 7 of 10
Date: December, 2008

T:\Misc-Jobs\Coeur Alaska\JAR\PA\Sheet 7 Tailings.dwg
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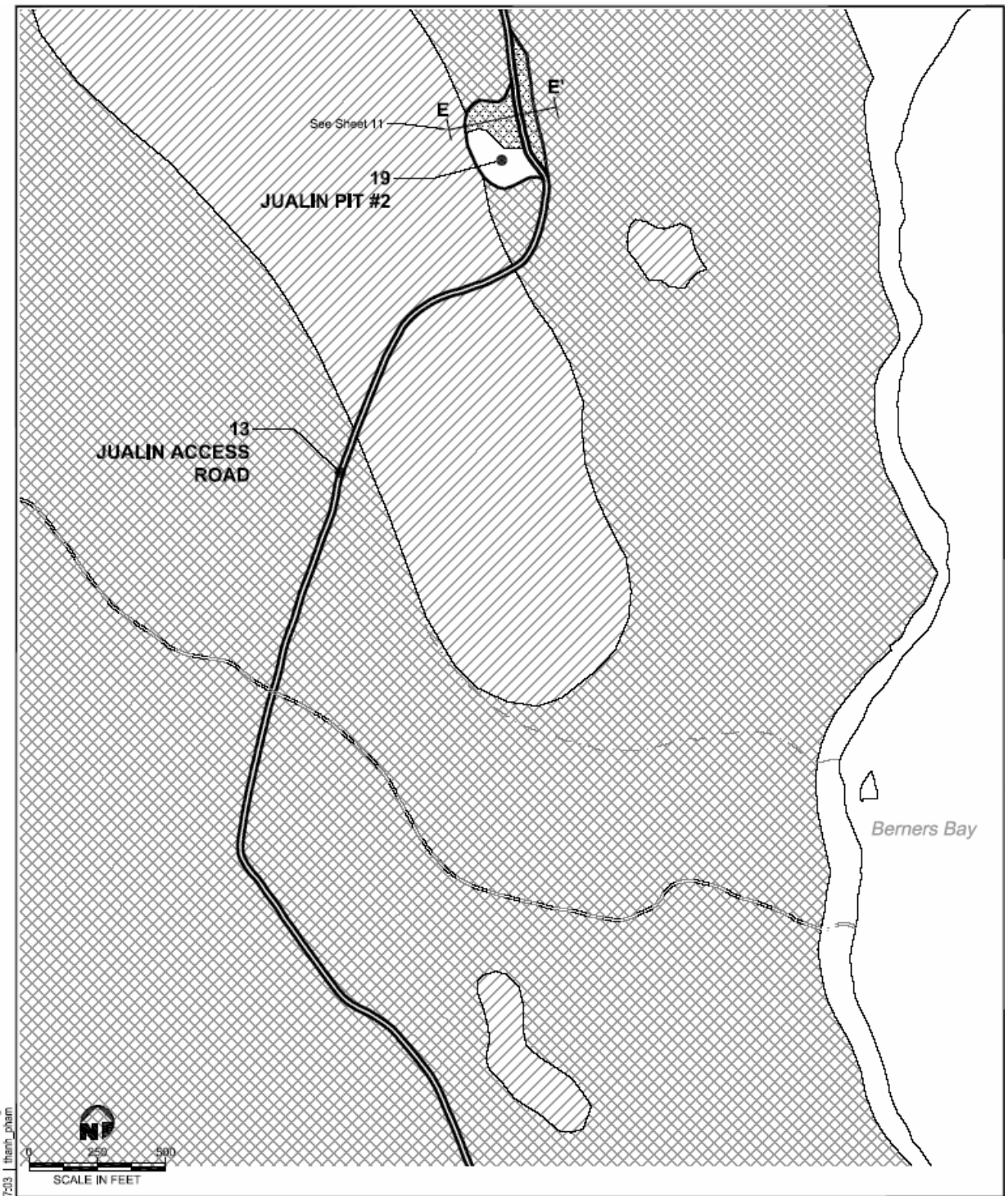

Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Burough of Juneau
State: Alaska

Sheet: 8 of 10
Date: December, 2008

T:\Misc-Jobs\Coeur Alaska\JARPA\Sheet 7 Jualin Access Road.dwg
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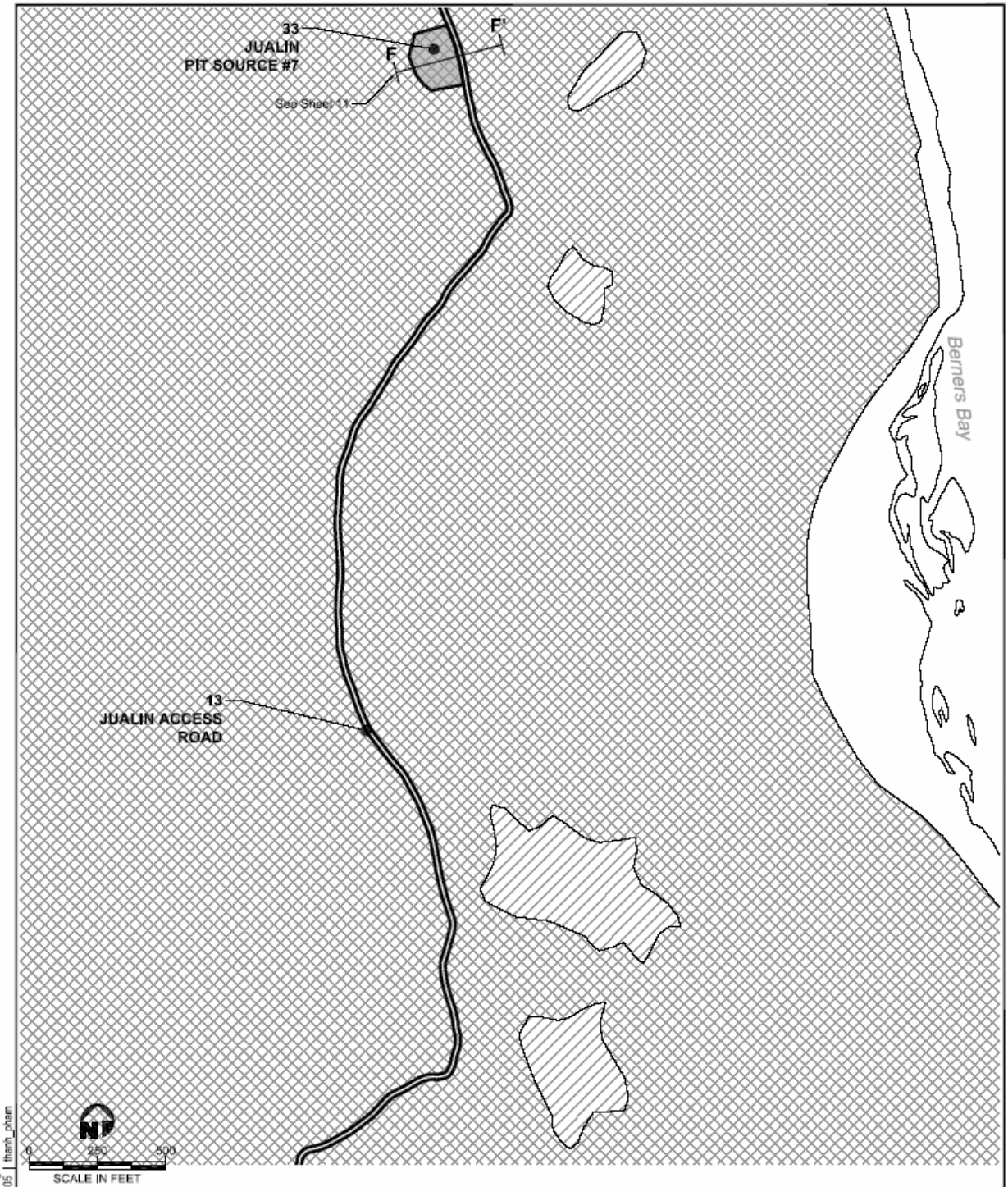

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Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

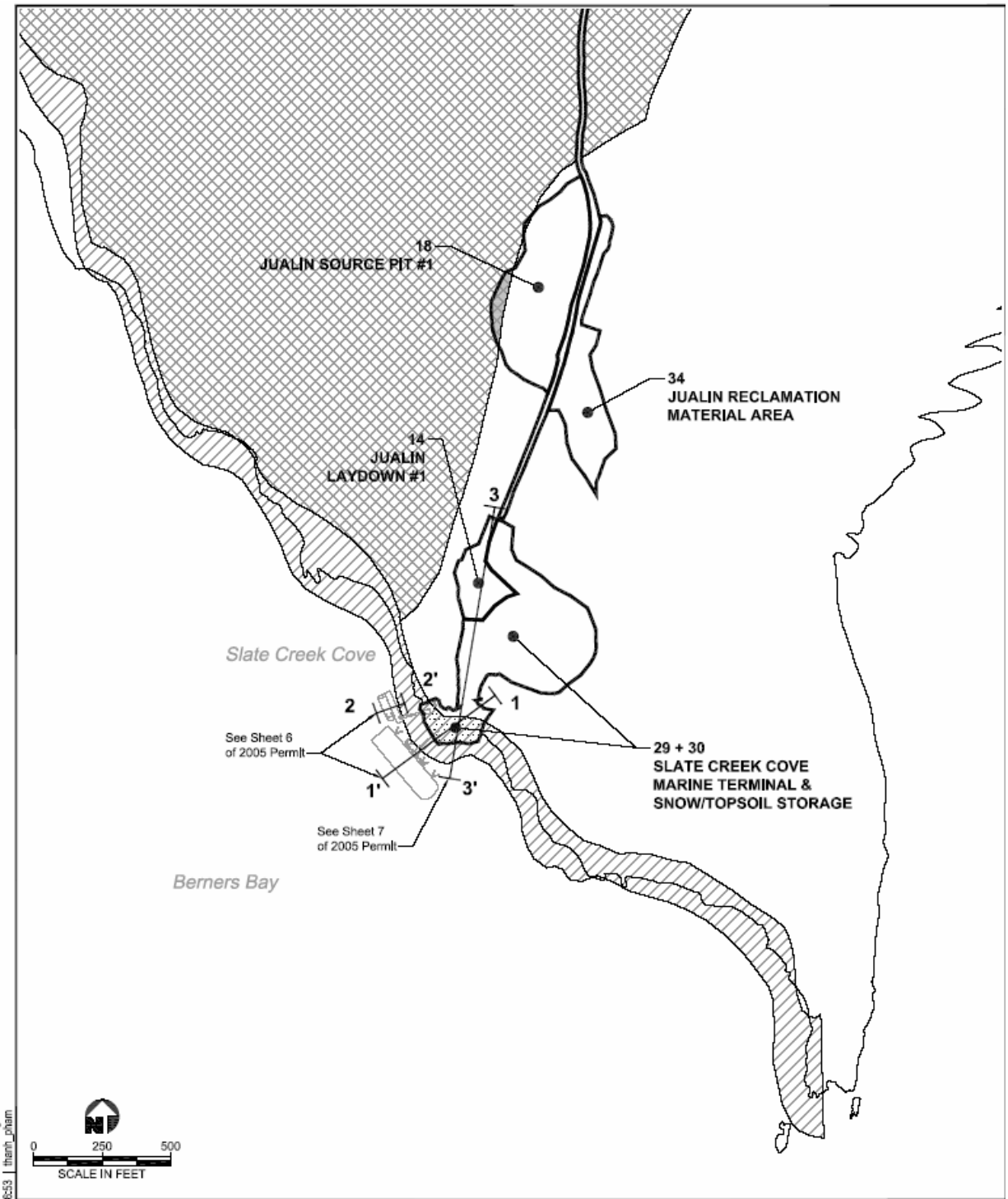
Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances.

Near/At: T35S, R62E
Municipality: City and Borough of Juneau
State: Alaska

Sheet: 9 of 10
Date: December, 2008



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Legend

- Work Area Boundary
- Wetland
- 25% Wetland Mosaic
- Upland or Bay
- Fill Impact
- Cut Impact

Applicant: Coeur Alaska, Inc
Permit No:

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1
NAD 83 on a NAD 27 Baseline

Proposed: Kensington Gold Project

Purpose: Construction of mining related facilities and appurtenances,

Near/At: T35S, R62E
Municipality: City and Burough of Juneau
State: Alaska

Sheet: 10 of 10
Date: December, 2008

Attachment 1

Mountain Goat Assessment - ADFG

Attachment 2

Marine Mammal Report - 2009

Attachment 3

Upper Slate Lake Dolly Varden Survey – 2009

Attachment 4

Wildlife Monitoring - 2009