



Sumitomo Metal Mining Pogo LLC

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September 16, 2009

Mr. Jack DiMarchi
ADNR
Office of Project Management & Permitting
3700 Airport Way
Fairbanks, AK 99709

RE: Request for Approval of Amendment of Quality Assurance Project Plan – Flotation Tailings and Drystack Geotechnical Program

Dear Mr. DiMarchi:

As you requested, we are providing a technical review of the drystack quality assurance requirement supporting our July 23, 2009 request to amend the Quality Assurance Project Plan (QAPP) for Flotation Tailings and Drystack Geotechnical Program. This review was conducted by AMEC Earth & Environmental.

The current QAPP requires that Cone Penetration Testing (CPTU) be conducted every three years, beginning one year after completion of the drystack facility shell construction. By letter dated July 28, 2009, Sumitomo Metal Mining Pogo LLC (SMM Pogo) requested substitution of CPTU with field density measurements using a Troxler density gauge over at least the next two to three years. The reason for this request is that the construction materials have been changed from drystack filtered tailings to a combination of drystack and non-mineralized rock (forming a composite shell). This change in materials has made it difficult to conduct CPTU.

ADNR requested a review of the quality assurance requirements for the new drystack shell construction design by a specialist. AMEC Earth and Environmental has completed this review. AMEC was also the design engineering firm recommending the drystack construction material change. AMEC's technical review concluded that CPTU of the shell of the Pogo Drystack should not be required for at least the next two to three years until sufficient tailings materials have been placed in the shell area. The necessity for CPTU will be re-evaluated during the period of 2011-2012, taking into consideration collected lift information, such as operating experience and measures of surface density.

Based on AMEC's technical review and recommendations, SMM Pogo plans to compact the drystack tailings in the shell area with a minimum of 6 to 8 passes, and to conduct random surface density measurements to check the compaction status.

If you have any questions or need additional information, please call me.

Sincerely,

Bryan Raidan
Mill & Environmental Superintendent