STATE OF ALASKA

SARAH PALIN, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

Division of Mining, Land and Water

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POGO INSPECTION REPORT

Inspection Date:	July 26, 2005
Weather:	Clear, Sunny, 70 degrees F., light breeze
Time of Inspection:	10:20 am to 6:00 pm
Operator Contact:	Karl Hanneman - Teck Alaska
Agency Personnel:	Victor Ross (ACOE), Don Rice (ACOE), Rich Hughes (DCED), Brent Martellaro (ADNR), Jeff Rogers (ADNR), Steve McGroarty (ADNR), Judy Bittner (ADNR), Jim Vohden (ADNR), Jack Winters (ADNR), Luke Boles (ADEC)
Inspection Objectives:	General Inspection of Mine Site and Access Road Construction Activity

We arrived at the Pogo road gate at approximately 10:20 a.m. and conducted an inspection of the access road, bridges and material borrow sites on the way to the Pogo Mine (Figure 1).

The new water treatment plant located at the exploration adit has been completed and fully commissioned; however, the underground workings are only making approximately 90 gpm, so the water is still being treated in the underground water treatment plant (Figure 2).

Drill cuttings from individual blast rounds are sampled and analyzed for sulfur and arsenic using the on-site XRF. We observed the development rock segregation area where the muck from individual blast rounds is placed and staked with a survey lathe until analysis can determine whether it is considered mineralized or non-mineralized based upon either the sulfur or arsenic content (Figure 3). When a blast round has been fully removed from the staging area, the survey lathe is deposited into either the non-mineralized or mineralized lathe collection bin to allow for blast round segregation tracking (Figure 4).

Flow from the Goodpaster River enters the 'inlet pond' of The Off-River Treatment Works (Figure 5) and allows for control of the mixing rate with any discharge of treated mine water. At the time of the inspection there were 2000 gallons of flow through the central dike located between the inlet and outlet ponds without the use any pumps. Water from the outlet pond, travels through a weir that allows regulation of the flow rate. Discharge from the system goes into an outlet channel to the Goodpaster River.

We inspected the diversion ditches located above the proposed dry-stack area. The ditches have been constructed in areas of fractured bedrock and are not diverting surface runoff; it is infiltrating into the ditches. The company is planning on grouting the diversion ditches.

The mill is under construction and other facility buildings are currently under construction.

Site preparation work was underway at the dry-stack tailings area and on the Recycle Tailings Pond Dam surface (Figure 6).

On the drive out the access road we stopped to examine an archeological site that was discovered during the construction of the road (Figure 7).

Conclusion

The company is making good progress on the construction of the site. Additional work may be required on the diversion ditches.

Action Items

No action items as a result of this inspection.

(Note – Inspection report was not distributed.)

Figure 1 - Shaw Creek Bridge on Pogo Access Road.

Figure 2 - New Water Treatment Plant.

Figure 3 - Underground development rock blast round muckpile designated as non-mineralized.

Figure 4 - Collection location for survey lathe from non-mineralized waste rock blast rounds.

Figure 5 - Inlet pond for Off-River Treatment Works.

Figure 6 - Work on Recycle Tailings Pond Dam.

Figure 7 - Inspection of archeological site discovered during construction of the Pogo Access Road.