

Department of Natural Resources

Division of Mining, Land & Water Mining Resources Section

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March 6, 2014

Sally McLeod Environmental Superintendent Sumitomo Metal Mining Pogo LLC P.O. Box 145 Delta Junction, AK 99737

Subject: Pogo Mine Plan of Operations (F20129500) Amendment Approval - Revision 9, New CIP Tailings Storage Tank

Dear Ms. McLeod,

The Division of Mining, Land and Water (DMLW) received correspondence from Sumitomo Metal Mining Pogo LLC (Pogo) dated February 24, 2014 requesting approval to amend Plan of Operations (F20129500) (POO) for the construction of a new 750,000 gallon CIP Tailings Storage Tank with auxiliary equipment. This request includes an amended Section 1.0 Applicant Information and revised Figure 1.3c and Figure 6.2 to the Plan of Operations; Sheet 1385-S200 CIP Tail Stock Tank and Containment (construction design); 3-D image of the new CIP Tailings Storage Tank; and the document titled, "Geotechnical Study New CIP Tail Stock Tank" by Shannon & Wilson, Inc. Subsequent to requests for additional information, DMLW received correspondence from Pogo on March 4, 2014 submitting further revisions to the revised Plan of Operations Figure 1.3c and Figure 6.2.

The DMLW understands Pogo will address the potential effect on the reclamation and closure bond with the next major revision or permit renewal.

The DMLW has reviewed the proposed amendment, including the revised figures, and consulted with Alaska Department of Environmental Conservation.

The requested amendment to Revision 9 of your Plan of Operations (F20129500) as proposed and illustrated in your February 24, 2014, and March 4, 2014 submittals is hereby approved. Nothing in this decision changes the conditions of the original Plan of Operations Approval dated February 7, 2012. This facility and associated appurtenances should be accounted for in the next update to the Pogo Reclamation and Closure Plan, and the 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 .2.040(c) and (d), and may be mailed or delivered to Joe Balash, Commissioner, Department of Natural Resourced, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501, faxed to 907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st 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,

Scott Pexton

Mining Section Chief

cc: Brent Martellaro, ADNR

Carolyn Curley, ADNR David Schade, ADNR Jim Vohden, ADNR

Pete McGee, ADEC

Stephanie Lovell, ADNR Jack DiMarchi, ADNR Charlie Cobb, ADNR Tim Pilon, ADEC

Jack Winters, ADF&G