

Department of Natural Resources

DIVISION OF MINING, LAND & WATER Mining Section

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APMA A20176118- FIELD SUMMARY REPORT

Inspection Date: 20 July 2017 11:13am

Weather: Broken Skies (8,000+ ft), Winds N 5 MPH, Air Temp.

Approx. 58° F

Agency Personnel: Hollie Chalup (Mining Section), Logan Stolpe (Mining Section)

Operator Contact: NA

Pilot: David Lorring, Wrights Air **Inspection Type:** General Aerial Inspection

Operation Area:

The Pebble Project lies approximately 17 miles northwest of the communities of Iliamna and Newhalen. Located at the headwaters of Upper Talarik Creek, South Fork Koktuli River and adjacent to the headwaters of the North Fork Koktuli River, the Pebble Deposit is situated within the Nushagak/Mulchatna drainage system and Bristol Bay watershed. Topography varies from rolling hills to marshy lowlands and hosts several lake systems with dominant scrub coverage (*Salix*) or dwarf scrub tundra. The regional vegetation includes areas of forest, meadow, and scrub within riverine, lacustrine, lowland, upland, and alpine environments. Mammalian wildlife commonly observed in the operation area include *Ursus arctos*, *Alces alces*, *Rangifer turandus*, *Castor canadensis and Spermophilus parryii* among others. Raptors, waterbirds, shorebirds, and landbirds are also commonly observed. The Pebble Deposit consists of two known contiguous hydrothermically altered sulfide copper-gold-molybdenum porphyry deposits hosted in the Kahiltna Terrane Batholith (Cretaceous); one near-surface (Deposit West), and one significantly deeper (Deposit East). The estimated mineral resources of both deposits are currently 80.6 billion pounds of copper, 5.6 billion pounds of molybdenum, and 107.4 million ounces of gold, in addition to other economically viable mineral resources³.

Field Inspection Plan and Execution Schedule:

The Alaska Department of Natural Resources (ADNR) primary objective was to increase oversight of activities conducted at the Pebble Limited Partnership (PLP) project site while conducting aerial inspections of neighboring regional mining districts. Staff conducted aerial inspection of the site utilizing a Cessna 206 aircraft.

Field Condition Observations

Sky conditions on 20 July were overcast to broken skies with a ceiling of 8,800-10,400 feet, light north winds of 5.5 mph and trace amounts of precipitation

Findings

During the course of the inspection, ADNR staff observed one A-Star helicopter re-supplying at the Main Supply Depot. Structures observed included the Main Supply Depot (and West Bay 4), Watershed, West Bay 1 and the ARD Test Site. All structures appeared to be orderly and no other

¹ ABR, Inc., 2004-2008 Pebble Project Environmental Baseline Document. Chapter 16 Wildlife and Habitat – Bristol Bay Drainages.

² Holen, D. et al., 2005. Technical Paper No. 283. Harvests and Uses of Caribou, Moose, Bears and Dall Sheep by Communities of Game Management Units 9B and 17, Western Bristol Bay, Alaska 2001-2002.

³ Pebble Limited Partnership. Accessed 10 December 2017 at: https://www.pebblepartnership.com/geology.html#section-deposit

observations of note were made.

Violations

No unauthorized activity or remarks of non-compliance were made during the course of observation.

Conclusion and Recommendations

Maintenance and monitoring activity shall be reported in the end of year Reclamation Report summary.

Inspector:

Date: 19 JAN

Supervisor:

Date: 1/19/2-01)

Report Prepared By: H. Chalup

Observations of Note

1. Main Supply Depot Overview 20 July 2017

Annotations from top to bottom:

Main Supply Depot including West Bay 4, Watershed, and ARD Test Site.



2. Main Supply
Depot
and West Bay 4
20 July 2017



3. Main Supply Depot 20 July 2017



4. Main Supply Depot 20 July 2017



5. West Bay 1 20 July 2017



5. Watershed 20 July 2017

