Sheet for Starting PDF Files

Exhibit 1



Travis/Peterson Environmental Consulting, Inc.

November, 29 2018 1610-02

National Marine Fisheries Service, Alaska Region Post Office Box 21668 Juneau, Alaska 99802

Michael D. Travis P.E.

President

3305 Arctic Boulevard, Suite 102 Anchorage, Alaska 99503

Phone: 907-522-4337 Fax: 907-522-4313 e-mail: mtravis@tpeci.com Laurence A. Peterson

Operations Manager

329 2nd Street Fairbanks, Alaska 99701

Phone: 907-455-7225 Fax: 907-455-7228 e-mail: larry@tpeci.com

Attention:Jon KurlandAssistant Regional Administrator for Protected Resources

Dear Mr. Kurland:

The U.S. Army Corps of Engineers, Regulatory Division (USACE) has received and is reviewing a Department of the Army permit application from Mr. Beau Epstein, IPOP LLC to conduct exploratory coring under Nationwide Permit 6, and a test dredge operation, under Nationwide Permits 18 and 19 (USACE File# POA-2018-00123).

The USACE designated Mr. Michael Travis of Travis/Peterson Environmental Consulting, Inc. (TPECI) as the Non-Federal representative to conduct informal consultation under section 7(a)(2) of the Endangered Species Act (ESA) for the proposed project (letter enclosed). We have determined that the proposed activity may affect, but is not likely to adversely affect the bearded seal (*Erignathus barbatus*), spotted seal (*Phoca largha*), and ringed seal (*Phoca hispida*). Our supporting analysis is provided below. We request your written concurrence if you agree with our determinations.

Project Description

The proposed exploratory project consists of two distinct activities. The first involves using a GeoProbe® coring rig to advance exploratory borings for soil sample collection and analysis. Coring will be conducted exclusively in the winter season. The second portion of the exploratory project involves using a small dual-engine, 6-inch diameter suction dredge to evaluate water quality impacts. Dredging will be conducted in the ice-free season. See enclosed equipment photo log for photos of the coring rig and dredge. Both parts of the exploratory project are described below.

Exploratory Coring

A 540MT GeoProbe® will be mounted on a sled pulled behind an all-terrain vehicle. The GeoProbe® uses a percussion hammer to advance probe cylinders into the ground. Core samples will be collected with a 2.25" diameter by 4-foot long sample tube and bagged for onsite logging and possible panning. Samples will then be selected for geochemical analysis and will include metallic screening, multi-element analysis, and free-gold assaying. IPOP intends to advance 13 borings throughout the project area to a maximum depth at 31 feet or refusal.

IPOP anticipates completing two to four borings per day and be finished within 14 days. However, inclement weather conditions could extend this period. The coring program will occur in the winter months.

Exploratory Dredging

A Keene® dual-engine, mini 6-inch dredge (Model #6211M263) will be used to perform the exploratory dredging. IPOP intends to use the mini dredge to dredge five locations within the project area. No more than five cubic yards of material will be removed from any single location. Therefore, total disturbed yardage is not to exceed 25 cubic yards.

Dredging will occur in two phases. The first phase focused on upper sedimentary layers (colloidal silt, clay) and the second phase focused on lower sedimentary layers (sand, gravel). During the dredging process, a powered skiff will trail the dredge within the tailing discharge zone to document surface water turbidity and transparency. Water turbidity and transparency documentation will occur in 100-foot intervals in a semi-circular grid centered on the discharge point. Water column transparency will be documented using a Secchi disc. Water turbidity will be determined at various depths using a Van Dorn-type sampler and handheld optical turbidity meter (Hach® 2100Q, Hanna Instruments® 93703 or similar). IPOP is anticipating a larger turbidity plume from the first phase and a smaller plume from the second and will adjust the grid accordingly.

IPOP anticipates completing exploratory dredging at all five locations within one month. However, inclement weather conditions could extend this period. The dredging program can only occur in open water. The project site is located at Sections 24 and 25, T11S, R30W Kateel River Meridian; 64.513275°N, 164.592773°W near Nome, Alaska.

Description of the Action Area

The action area is defined in the ESA regulations (50 CFR 402.02) as the area within which all direct and indirect effects of the project will occur. The action area is distinct from and larger than the project footprint because some elements of the project may affect listed species some distance from the project footprint. The action area, therefore, extends out to a point where no measurable effects from the project are expected to occur.

For the proposed project, the action area includes the project site located in the Bonanza Channel where the proposed exploratory coring and dredging activities will occur out to a determined in-water radial distance. For this project, the two exploratory activities will occur in opposing seasons and thus have action areas specific to each task. For example, the action area for coring is primarily influenced by the sound generated by the GeoProbe® percussion hammer. The action area also includes waters, which would be impacted by a turbidity plume generated by the dredge. The following paragraphs describe this determination.

Determination of Action Area for Coring

The action area during coring activities is defined as the area where marine mammals could be exposed to underwater noise at 120 decibels (dB) or louder according to the National Oceanic and Atmospheric Administration (NOAA) in-water acoustic threshold guidance (NOAA, 2016). According to GeoProbe®, the operating decibels of the 540MT through air at a frequency of 60 hertz is approximately 120 decibels (dB) at 1m and 80dB at 100m. Decibels cited for air are not equivalent to underwater decibels due to many

variables (i.e., temperature, salinity, density) but primarily because of a difference in reference pressures. However, studies of underwater noise conducted by NOAA's R/V Okeanos Explorer (Nieukirk, 2002) provide a rough conversion between the two decibel scales by adding 26dB when converting decibel levels from air to water. Using this basic conversion, IPOP estimates the GeoProbe® 540MT has an approximate underwater operating decibel level of 146dB at 1 meter and 106dB at 100m. Therefore, the action area radius for coring activities will be conservatively set at 100m. See enclosed Figure 1 for a map of the action area for coring activities.

IPOP also considered the dampening effects of coring within the lagoon. All thirteen soil borings will be advanced within the Bonanza Channel, which is insulated from the waters of Norton Sound by a barrier island. This is significant because underwater sound generated by the coring rig will be mostly confined to the lagoon as the proposed soil boring locations are 3-5 miles from Norton Sound via waters of Safety Sound and the mouth of the Solomon River. Despite this dampening effect, IPOP will maintain a 100m action area.

Coring will occur in the winter season when ice is present. The presence of ice in this area will limit the access of marine mammals into the lagoon since open water necessary for breathing will be either scarce or non-existent. However, ice seal research conducted between 2014-2017 by Alaska Department of Fish and Game (ADF&G) indicated a population of bearded and ringed seals was present in Norton Sound around Nome, Alaska during the winter months. Therefore, bearded and ringed seals are the most anticipated marine mammals to inhabit the project area during coring activities.

Determination of Action Area for Dredging

The Keene® suction dredge does not produce significant sound underwater. Thus, the action area for dredging is not determined by sound but rather by the estimated extent of the generated turbidity plume.

The first phase of the dredging process will involve fine sedimentary layers, while the second phase involves coarser sands and gravels. Therefore, the turbidity plume is expected to reach its maximum extant during the first phase of the dredging process. The purpose of the exploratory dredging process is to determine the extent of the turbidity plume; thus, the action area radius cannot be objectively determined. However, given the small size of the dredge (6-inch intake) and type of sedimentary material being dredged, IPOP does not believe the turbidity plume will exceed 150m (approx. 500ft). Therefore, the action area radius for dredging activities will be set at 150m. See enclosed Figure 2 for a map of the action area for dredging activities.

Dredging will occur in the summer season during a time of year where marine mammals may frequent the Bonanza Channel. The lagoon was surveyed in 2018 and had an average depth of 4-6 feet. Thus, due to their size, whales and porpoises are not anticipated. However, bearded, spotted, and ringed seals have the physiology to access these waters and are therefore the most anticipated marine mammals to inhabit these waters during dredging.

NMFS Listed Species and Critical Habitat in the Action Area

The bearded seal (*Erignathus barbatus*), spotted seal (*Phoca largha*), and ringed seal (*Phoca hispida*) were the only Marine Mammal Protection Act (MMPA)-protected species expected to occur within the action area. The following paragraphs discuss this determination and are organized by species and by the seasons that exploratory activities will occur.

TRAVIS/PETERSON ENVIRONMENTAL CONSULTING, INC.

Winter Season - Coring

Exploratory coring will only occur in the winter season when the ice allows rig access to the 13 proposed boring locations. Outside of the bearded seal and ringed seal, no other MMPA-protected species are expected to occur within the 100m winter action area.

Bearded Seal

On December 28, 2012, NMFS listed the bearded seal Beringia distinct population segment (DPS) as threatened under the ESA (77 FR 76740) and depleted under the MMPA. This DPS is the only bearded seal common to Alaska and is thus considered Alaska stock. The ESA listing is a point of contention and has been contested by the Alaska Oil & Gas Association (14-35806,14-35811), but ultimately upheld by the U.S. Court of Appeals for the Ninth Circuit and the U.S. Supreme Court (17-133, 17-118). As such, the bearded seal Beringia DPS remains a threatened species under the ESA. Critical habitat has not been proposed for the bearded seal Beringia DPS.

Given their widespread habitat range, the bearded seal has the potential to be present at the project site. In the winter, bearded seals tend to concentrate around their preferred ice habitat at the ice edge, which allows for hauling out between foraging trips (https://www.fisheries.noaa.gov/species/bearded-seal). The 2014-2017 ADF&G ice seal research confirmed bearded seal presence in the area during winter. However, the probability of encountering a bearded seal within the project area during the estimated 14-day coring timeline is low due to lack of open water within the lagoon during winter. Mitigation measures are discussed in the following section.

Ringed Seal

Like the bearded seal, on December 28, 2012, NMFS listed the Arctic subspecies (the Alaska stock) of the ringed seal as threatened under the ESA (77 FR 76706) and depleted under the MMPA. The listing is also a point of contention for the same reasons as the bearded seal and has likewise been contested in similar cases. However, the ringed seal Arctic subspecies remains a threatened species under the ESA. Critical habitat for the Arctic subspecies of the ringed seal has been proposed and is currently being evaluated. The proposed critical habitat for the Arctic subspecies of ringed seal encompasses much of the Beaufort Sea, Chukchi Sea, and northern Bering Sea, including all of Norton Sound.

Unlike the bearded seal, the ringed seal can occupy areas with 100% ice cover due to their ability to create and maintain their own breathing holes. They also make snow caves (lairs) in snowdrifts that form around the breathing holes. The pups are typically birthed, reared, and weaned in the lairs before the ice melts in the spring (https://www.fisheries.noaa.gov/species/ringed-seal). The 2014-2017 ADF&G ice seal research confirmed ringed seal presence in the area during winter. The probability of encountering a ringed seal within the project area during the 14-day coring timeline is moderate. Mitigation measures are discussed in the following section.

Open Water Season – Dredging

Exploratory dredging will only occur in the open water season when no ice is present at the 5 proposed dredging locations. Outside of the bearded seal and spotted seal, no other MMPA-protected species are expected to occur within the 150m summer action area.

Bearded Seal

Most adult bearded seals migrate north during the summer months to utilize the fragmented ice edge for pup rearing and foraging. The 2014-2017 ADF&G ice seal research showed that migration occurred alongside the sea ice retreat in late-May/early-June months. However, juvenile bearded seals are known remain often bays. estuaries. to near the coast. in and river mouths (https://www.fisheries.noaa.gov/species/bearded-seal). As such, the probability of encountering juvenile bearded seals within the project area during the estimated one-month dredging timeline is high. Mitigation measures are discussed in the following section.

Spotted Seal

Unlike the bearded seal and ringed seal, spotted seals are not ESA-listed and are not listed as depleted under the MMPA. Critical habitat is not considered necessary for the spotted seal.

The spotted seal Bering DPS is the only spotted seal common to Alaska is thus considered Alaska stock. Seals overwinter in the Bering Sea near the sea ice edge and resort to hauling-out in coastal areas throughout the summer. During this time they are primarily foraging (<u>https://www.fisheries.noaa.gov/species/spotted-seal</u>). The probability of encountering spotted seals within the project area during the estimated one-month dredging timeline is high. Mitigation measures are discussed in the following section.

Mitigation Measures

IPOP proposes that the following mitigation measures are implemented to minimize risk to marine mammals within the calculated action area. These basic measures would apply to the proposed coring and dredging activities:

- 1. Coring and dredging activities will not be initiated until the action area is thoroughly inspected for marine mammal activity by the project manager.
- 2. A shut-down zone of 100m radius centered around coring activities and 150m radius for dredging activities will be established. All activities will halt if a marine mammal enters the shut-down zone. Activities will resume once the animal has exited the shut-down zone on its own accord.
- 3. The project manager will continuously monitor the action area throughout coring and dredging activities. This will include scanning the area with binoculars and a range finder.
- 4. The project manager will maintain an in-depth log book noting the time and date of exploratory activities, environmental conditions (e.g., sea state, weather, visibility (km/mi), lighting conditions and percent ice cover), beginning and end times for all shut-down events, marine mammal species observed, number of marine mammals observed, and marine mammal behaviors (e.g. foraging, hauling-out), and any other miscellaneous observations. Copies of the log book will be provided to the NMFS Protected Resources Division after the exploratory program is completed.

Effects of the Action

There are two potential marine mammal stressors that may result from the exploratory coring and dredging activities. No critical habitat will be affected by the action.

The first stressor involves acoustical disturbance from coring. The coring process is expected to produce underwater noise at 120 dB out to 100m from the coring rig. As mentioned in the previous section, all activities will halt if a marine mammal enters the established 100m shut-down zone. Therefore, IPOP does not anticipate that this project will expose bearded seals or ringed seals to noise levels above 120 dB. However, acoustical noise generated by the coring process will extend beyond this zone and may alter the behavior of marine mammals (e.g., attraction/aGeovoidance of the area). The short duration of coring activities (est. 2-4 borings per day) combined with restricted access to the boring locations due to the presence of thick ice in a shallow channel make it unlikely that any individual seals will encounter acoustic noise generated by the project. IPOP therefore considers any acoustic disturbance from coring to be insignificant or extremely unlikely to occur.

The second stressor involves temporary habitat alteration from the turbidity plume generated during exploratory dredging. The generation of the turbidity plume may temporarily alter movement of fish species that the bearded seal and spotted seal forage. However, the turbidity plume generated during the exploratory dredging process will eventually settle out with little to no significant repercussions to fish habitat. Additionally, moments of high turbidity in the waters of Bonanza Channel is a natural occurrence during storm events. Therefore, IPOP considers any temporary habitat alteration generated from the turbidity plume during dredging activities to be insignificant and discountable.

Conclusions

Based on the analysis that all effects of the proposed project will be insignificant, extremely unlikely, or discountable, IPOP has determined that the proposed project is not likely to adversely affect any listed species or critical habitat under NMFS's jurisdiction. We have used sound logic and the best scientific and commercial data available to complete this analysis. We request your concurrence with this determination.

Please contact me via email at <u>mtravis@tpeci.com</u>, by mail at the address above, or by phone at (907) 522-4337 if you have any questions or concerns.

Sincerely,

Michael D. Travis

Michael Travis, P.E. Principal

Enclosures:	Non-Federal Representative Authorization Letter Equipment Photo Log Figure 1 – Coring Action Area Map Figure 2 – Dredging Action Area Map
CC:	Beau Epstein, IPOP LLC Leslie Tose, United States Army Corps of Engineers: Alaska District

TRAVIS/PETERSON ENVIRONMENTAL CONSULTING, INC.

Literature Cited

- Alaska Department of Fish and Game (ADF&G), 2017: "2014-2017 Ice Seal Research: Movements and Habitat Use Studies", Accessed on 11/21/2018 via: http://www.adfg.alaska.gov/index.cfm?adfg=marinemammalprogram.icesealmovements
- National Oceanic and Atmospheric Administration (NOAA), 2016: "Technical Guidance for Assessing the Effects of Anthropogenic Noise on Marine Mammal Hearing", Accessed on 11/19/2018 via: <u>https://www.westcoast.fisheries.noaa.gov/protected_species/marine_mammals/threshold_guidan_ce.html</u>
- Nieukirk, S., NOAA: Pacific Marine Environmental Laboratory, 2002: "Understanding Ocean Acoustics", Accessed on 11/21/2018 via: <u>https://oceanexplorer.noaa.gov/explorations/sound01/background/acoustics/acoustics.html</u>
- Stafford, K., The Pew Charitable Trusts: U.S. Arctic Program, 2013: "Anthropogenic Sound and Marine Mammals in the Arctic: Increases in Man-Made Noises Pose New Challenges", Accessed on 11/14/2018.

Exhibit 2

Eelgrass Study

EXHIBIT 2: Eelgrass Survey

IPOP and reviewed and applied the Corps document "Components of a Complete Eelgrass Report Guidelines" (May 27, 2016) provided by the Corps to the extent of conducting a Tier 1 survey, because IPOP has at all relevant times proposed to avoid any work in eelgrass (*Zostera marina*). All survey activities were done at the end of the summer, at the time of maximal growth.

Inasmuch as the Corps guidance reports that survey results are only valid for a period of one year, the critical question for summer 2020 operations is whether or not eelgrass is present in the areas IPOP proposes to mine during that summer as set forth in'y g'Rrcp'qh'Qr gtcvqpu. Fortunately, the drone footage leaves no doubt that these areas have minimal to no vegetation, being extremely shallow. The detailed drone footage of the actual areas to be worked, given the extreme shallows, should give the Corps the confidence of a Tier 2 survey.

Survey Activities

All survey work was conducted by three individuals trained in the identification of *Zostera marina*, a surveyor, Eric Tweet, and two helpers, Ben Arata and Tyler Green. Survey activities initially focused on documenting the presence of eelgrass, *Z. marina*, with a survey conducted on September 25, 2018 with Eric Tweet and Ben Arata. The only *Z. marina* found was floating samples which IPOP believes drifted in from Safety Sound. The Corps has received and reviewed the survey and rejected as inadequate, so IPOP determined to conduct a renewed survey in 2019 using both individuals in boats and comprehensive drone-based footage.

IPOP engaged the firm of Oregon Aerial Solutions, and extensive experiments were conducted with known eelgrass beds in Safety Sound, and a special spectral camera used on drones to assess land-based agricultural activities. This work was conducted from August 14-17, 2018, and from August 28 through September 2, 2019, but the underwater nature of the eelgrass interfered with effective efforts to use a spectral signature to identify the presence of eelgrass.

However, an extensive boat and drone-based survey of *Z. marina* in the eastern portion of Safety Sound did succeed in identifying the nearest patch to the mouth of the Bonanza Channel, which is reflected in this drone photo with the GPS coordinates (64.49794, -164.69353):



IPOP notes that this point is 1.5 miles from the opening of the channel and about three miles from DSKN 30-32. IPOP also utilized an underwater video camera to capture and review the specific appearance of beds of *Z. marina*:



IPOP notes that dense eelgrass beds of appreciable significance to local fish populations in Safety Sound are easily visible even from high level aerial photographs of Safety sound:



IPOP's surveyors found the highest density of eelgrass in the darkened area visible in photo. No such areas appear anywhere within IPOP's thirty-two claims.

As noted in the guidance, aerial photography may be used to determine eelgrass locations for very large sites. With the failure of the drone-based spectral identification method, IPOP commissioned extensive drone-based 4K resolution surveys of all thirty-two claims. Photographs comprising the

western side of the claim block were collected from September 16-21, 2019. During this process, a boat crew followed along near the drone areas, conducting a physical survey.

IPOP's surveyors report that the only vegetation with the appearance of seagrass identified on the claims, and particularly in DSKN 30-32, is a species with much narrower and rounder leaves or stems than *Zostera marina*, believed to be *Phyllospadix scouleri*, though this species is more common in the Alaska panhandle.

The species is present throughout DKSN 30-32 (and elsewhere on the IPOP claims), and is the principal species present, with the second most numerous vegetation being the green moss that is attached to this species, believed to be *Rosenvingiella polyrhiza*. *Ruppia maritima* may also be present. IPOP's surveyors obtained underwater video footage of the two species in multiple locations. This still is taken from a video taken in the shallow channel NNE of the island at the west end of DKSN 30:



The white color is to some extent an artifact of the camera, and the unknown species, and other algae colonizing it, are in fact green. The water is approximately three feet deep in this area.

The DroneDeploy firm was engaged to utilize AI-powered drone data processing to stitch together the tens of thousands individual photographs taken into a single view that may be accessed and viewed much like Google earth.

Here is the 4K drone footage of the portion of the channel where the above underwater photograph was taken, and one can see it is easy to distinguish the beds of the unknown species from the shallower portions where less vegetation is present:



The *P. scouleri* is growing in very thick clumps in the deeper portions of Bonanza Channel. In the latter part of October, IPOP's surveyors removed and photographed one dead clump to show the density:



IPOP speculates that this species may form a significant obstacle to returning adult salmon and other fish in the channel portions of the Bonanza Channel.¹

Given the total absence of *Z. marina*, and the general absence of high quality habitat, IPOP believes that while further survey work is being completed, the appropriate regulatory response is to use the available drone footage of DSKN 30-32 to eqpewt 'y cvmining operations for the summer of 2020 y km' pqv'ecwug'cp{"cf xgtug"ghgev'qp"guugp\crihkuj 'j cdkcv0'



The shallow areas appear lighter and are nearly devoid of underwater vegetation, as seen in this closeup of the NE end of the shoal:

¹ IPOP notes that a recent article in the *Anchorage Daily News* shows dead pink salmon in the Shaktoolik River entangled in vegetation strikingly similar to that present in the Bonanza Channel. *See <u>https://www.adn.com/alaska-news/rural-alaska/2019/07/12/warmer-waters-investigated-as-cause-of-pink-salmon-die-off-in-norton-sound-region/.* It is conceivable that the vegetation is in fact an invasive species.</u>



In addition to being nearly devoid of vegetation, the area is extremely shallow and provides no cover for aquatic animals from bird predation.

The drone footage also permits IPOP to assess the path from the camp site to the area identified for summer 2020 operations0



These still pictures do not do justice to the full scale of detail that is visible from the drone footage. The following hyperlink will permit agency access to the stitched-together drone photos, from which closer views can be obtained throughout DSKN 30-32 and the path to the base camp:

https://www.dronedeploy.com/app2/data/5d88f96ae2922d5d6a4afc1e;jwt_token=eyJhbGciOiJIU zUxMiIsInR5cCI6IkpXVCJ9.eyJvdmVybGF5X2ZvbGRlcl9pZCI6IjVkODQ10DM5Mzg4NWN IMzAzODgyOGE5ZCIsInNjb3BIIjpbIjY2YWZiNmQ00DBfQkE1NjNBODg3eN09QRU5QSV BFTEIORSJdLCJ0eXBIIjoiUmVhZE9ubHlQbGFuIiwiaWQiOiI1ZDg4Zjk2YWUyOTIyZDVkN mE0YWZjMWUiLCJleHAiOjI1MzQwMjMwMDc5OX0.1KSItmwzzTP2rTQiXVRhMbrBYpz3 XOPm5TQVhHSjRg_sTPOkskk46V7flIDx2Z5MZDuaZVspqk-yqsVZZGkhLw

IPOP requests that the agencies not use any features to make changes in the database, and requests that the confidentiality of this hyperlink be maintained, as the data within it was assembled at considerable cost and could be damaged by users of the hyperlink.

IPOP believes that its investment in this high-quality footage will permit the agency to confirm minimal adverse impact from proposed operations, and IPOP proposes to conduct further biological examination of the deeper areas of with more vegetative cover during the summer of 2020.

Exhibit 3

Essential Fish Habitat Draft Assessment

DRAFT ESSENTIAL FISH HABITAT ASSESSMENT FOR TEN IPOP, LLC. PLACER MINING CLAIMS NEAR SOLOMON, ALASKA

Prepared for:

IPOP, LLC. 9811 W. Charleston Blvd, #2-444 Las Vegas, NV 89117

Prepared by:

Travis/Peterson Environmental Consulting, Inc.

Travis/Peterson Environmental Consulting, Inc.

3305 Arctic Blvd., Suite# 102 Anchorage, Alaska 99503

329 2nd Street Fairbanks, Alaska 99701

April 2018

1610-01

1

.

TABLE OF CONTENTS

1.0	INTRODUCTION	3
1.1	PROJECT LOCATION	3
1.2	PROJECT DESCRIPTION	4
2.0	ESSENTIAL FISH HABITAT	4
2.1	PACIFIC SALMON EFH	5
2	.1.1 Pacific Salmon Impact Analysis	5
3.1	SAFFRON COD EFH	6
3	.1.1 Saffron Cod Impact Analysis	6
4.1	RED KING CRAB EFH	6
4	.1.1 Red King Crab Impact Analysis	6
5.0	CONCLUSIONS	6
6.0	REFERENCES	.7



1.0 INTRODUCTION

This report is a draft assessment of the Essential Fish Habitat (EFH) that overlaps ten IPOP, LLC. (IPOP) placer mining claims near Solomon, Alaska (Figure 1, Appendix A). IPOP intends to suction dredge sediments for gold within these claims. The claims are located within coastal lagoons. IPOP contracted Travis/Peterson Environmental Consulting, Inc. (TPECI) to conduct an EFH draft assessment to identify and determine whether suction dredge mining will adversely impact designated EFH.

Enacted in 1976, the Magnuson-Stevens Fishery and Conservation and Management Act (Magnuson-Stevens Act) governs the United States fisheries management. In 1996, Congress amended the Magnuson-Stevens Act to include sustainable fisheries management procedures and defined EFH as "those waters and substrate necessary to fish for spawning, breeding, feeding or growth to maturity" and is only applicable to species managed under a federal Fishery Management Plan. EFH are reviewed and updated every five years with the 2015-17 EFH being the most recent review. Section 305(b) of the Magnuson-Stevens Act states that federal agencies must consult with the National Marine Fisheries Service (NMFS) if an EFH assessment determines that proposed activities may have an adverse effect on EFH. An adverse effect is essentially any impact that decreases the quality of EFH, specifically "direct, indirect, site-specific or habitat-wide impacts, including individual, cumulative, or synergistic consequences of actions", as stated in the Magnuson-Stevens Act.

TPECI did not find that the proposed mining activities for the ten IPOP mining claims would adversely affect EFH. Therefore, TPECI does not believe consultation with the NMFS is required. This assessment discusses the reasoning behind this conclusion in the following format: (1) a project description, (2) a summary of EFH in the project area, and (3) an analysis of the effects on EFH.

1.1 PROJECT LOCATION

IPOP currently holds thirty-two State of Alaska mining claims in Alaska State Waters near Solomon, Alaska on the Seward Peninsula. The current mining operation will attempt to recover gold within ten of the thirty-two mining claims. Below are the ten mining claims, totaling 880 acres, where proposed mining activities are proposed to occur. Consult Figure 2 in Appendix A for a map showing each mining claim location.

1.	DKSN 15 – 160 acres	6.	DKSN 22 – 40 acres
2.	DKSN 16 – 160 acres	7.	DKSN 23 – 40 acres
3.	DKSN 17 – 40 acres	8.	DKSN 26-40 acres
4.	DKSN 18-40 acres	9.	DKSN 31 - 160 acres
5.	DKSN 21 – 40 acres	10.	DKSN 32 - 160 acres

Claims DKSN 15-26 are located in a shallow coastal lagoon approximately 1.5 miles east-northeast of the Solomon River mouth. Claims DKSN 31 and DKSN 32 are located in Bonanza Channel approximately 2.75 miles southwest of the Bonanza River intersection with the Bonanza Channel.

Surrounding landscape is comprised of relatively flat coastal wetlands, grassland, and tidal mudflats. Freshwater hydrology is primarily influenced by the Solomon River and Bonanza River. Smaller freshwater inputs include Pine Creek and Secret Creek. Other nearby freshwater rivers include the Eldorado and Flambeau River systems, which contribute to the waters of Safety Sound. Marine hydrology is solely comprised of the waters from Norton Sound.

1.2 PROJECT DESCRIPTION

The IPOP placer mining operation is comprised of a single-engine, 10-inch diameter intake, suction dredge (20-feet x 73-feet) and processing barge (40-feet x 70-feet). The suction dredge will excavate sediment to a maximum depth of 31 feet below water level. Excavated material will run through a box and screen shaker before the finer material is processed by centrifuges. The excavated area created by the suction dredge will be filled by the trailing processing barge and will be concurrent with the mining process. This will be accomplished using depth sonar and GPS location mapping to distinguish disturbed benthic soils from non-disturbed areas, which will leave the bottom as close to where it was originally dredged. IPOP intends to mine claims at a rate of 100-acres (approximately 484,000 cubic yards) per year.

IPOP has completed the *Application for Permits to Mine in Alaska* (APMA) with the Alaska Department of Natural Resources. The APMA contained detailed descriptions of the proposed mining operation. See the drawing below for a graphic representation of the proposed mining process.



Drawing 1 The suction dredge pulls material from the bottom of the lagoon and pushes it to the processing barge. The processing barge separates the material using box and screen shakers and centrifuges to access gold. Tailings are deposited from the processing barge into the original dredged area during the mining process. Drawing was created by Alaska Earth Sciences and was included in the APMA as a cross-section sketch.

To operate, the dredge also requires a discharge permit from the Alaska Department of Environmental Conservation (ADEC). The 2015 *Medium-Size Suction Dredge General Permit (AKG371000)* outlines best management practices for medium-size suction dredge operations and authorizes discharges to fresh waters of the United States (18 AAC 83.990(77)). The permit also allows exceedance of Alaska Water Quality Standards for turbidity within mixing zones up to 500-feet from the discharge point.

2.0 ESSENTIAL FISH HABITAT

TPECI used the NMFS EFH Interactive Mapping Tool to identify EFH in and around the ten IPOP mining claim locations. Five species of salmon (Oncorhynchus family: Chum – Oncorhynchus keta, Pink – Oncorhynchus gorbuscha, Coho – Oncorhynchus kisutch, Sockeye – Oncorhynchus nerka, and Chinook –

IPOP, LLC, 1610-01 IPOP Mining Claims Permitting

Oncorhynchus tshawytscha) have EFH at this location. Saffron cod (*Eleginus gracilis*) are also present at this location, but do not have designated EFH in the area. The Red King Crab (*Paralithodes camtschaticus*) EFH is located several miles off the Seward Peninsula coastline, but red king crab are not present in the lagoons where the mining claims are located. No designated Habitat Areas of Particular Concern were identified in this area. TPECI has shared these findings with NMFS Supervisory Fisheries Biologist, Mr. Matthew Eagleton.

The following subsections discuss the EFHs of concern listed above.

2.1 PACIFIC SALMON EFH

The EFHs for five-species of Pacific salmon overlap with all ten IPOP mining claims. See Appendix B for a map showing the EFH for each species of salmon. Of these, Chum and Coho salmon are fished commercially using set gillnets. The Division of Commercial Fisheries of Alaska Department of Fish & Game (ADF&G) manages commercial and subsistence fisheries. According to ADF&G Norton Sound Commercial Fisheries Management Biologist, Jim Menard, there were six permit holders in the Nome Subdistrict 1 (333-10) in 2017.

Historically, commercial fishing has mostly focused on Chum salmon; however there has been recent market interest in Pink salmon. The Nome Subdistrict 1 commercial salmon fishery has a rocky past. In 1984, salmon management shifted focus from commercial to subsistence. This shift resulted in a significant reduction in sport fishing bag limits and a reduction in commercial harvest areas as well as commercial fishing time. Throughout the 1980s-early 2000s, the commercial salmon fishery was nearly eliminated due to low productivity. In 2003, the Alaska Board of Fisheries (board) designated the Chum salmon stock in this subdistrict as a management concern. An Action Plan was created in December 2003 (Menard-Bergstrom, 2003), which outlined steps to reduce chum salmon fishing mortality to meet spawning escapement goals to allow for subsistence harvest. In 2015, the board discontinued the Nome Subdistrict chum salmon stock as a management concern because the majority of escapement goals had been met (Menard-Bergstrom, 2015). The Chum salmon runs of 2013-2015 were some of the highest on record with the largest runs occurring in the Eldorado River.

2.1.1 Pacific Salmon Impact Analysis

TPECI and IPOP recognize agency and local concerns with the proposed suction dredge mining of these claims. Suction dredging by nature causes a localized increase in turbidity within the water column and disturbs benthic soils. Such activities can disturb salmon migration patterns and impede access to anadromous rivers. However, TPECI believes the ten mining claims under consideration can be successfully mined without significant adverse effects to Pacific salmon EFHs.

The IPOP dredge is classified by the ADEC as a "medium-size" suction dredge due to its 10-inch diameter intake. As previously mentioned, the ADEC general permit for medium-size suction dredge operation in marine waters restricts the turbidity mixing zone to a maximum of 500-feet from the dredge. All mining operations must halt if the turbidity exceeds State thresholds. Mining operations may resume when the plume settles. These restrictions are important because at no single location within any of the ten IPOP mining claims could a 500-foot turbidity mixing zone impede pacific salmon from reaching the Bonanza or Solomon River. See Figures 3 and 4 in Appendix A for maps showing permitted mixing zones for each mining claim.

Mr. Menard informed TPECI that most salmon access the Bonanza River from the direction of the Bonanza Bridge and to a lesser extent from Safety Sound. Mining claim DKSN 31 and 32 are in the Bonanza Channel between Safety Sound and the Bonanza River. Therefore, turbidity plums generated by mining activities in this area will not block salmon passage to the Bonanza River and not cause adverse effects to Pacific salmon EFHs.

The remaining eight claims (DKSN 15-26) are in a lagoon fed by Pine Creek and Secret Creek. TPECI used the ADF&G Anadromous Waters Catalog Interactive Mapper to determine that neither creek is classified as anadromous. Therefore, mining activities in this area will not impeded salmon passage or cause adverse effects to Pacific salmon EFHs.

3.1 <u>SAFFRON COD EFH</u>

Saffron cod is not commercially fished in this area; however, it is a popular subsistence fish harvested from the Bonanza Bridge and Bonanza Channel in the fall (September/October) and through the ice. The species is managed under the Arctic Management Area, which encompasses waters of the Chukchi Sea and Beaufort Sea, but does not extend south of the Bering Strait (NPFMC, 2009). The EFH for Saffron cod does not include Norton Sound (Appendix B).

3.1.1 Saffron Cod Impact Analysis

The Saffron cod EFH does not overlap with any IPOP mining claims; therefore, mining activities in this area would not have an adverse impact on EFH. However, TPECI and IPOP recognize there is local concern with the proposed suction dredge mining of these claims, specifically the claims located in the Bonanza Channel (DKSN 31 and DKSN32). However, TPECI believes mining activities at DKSN 31 and DKSN 32 will not affect Saffron cod because the claims are located several miles from the primary subsistence fishing areas in the vicinity of the Bonanza Bridge and mouth of the Bonanza River.

4.1 <u>RED KING CRAB EFH</u>

The Red King Crab EFH does not overlap with any IPOP mining claims. Therefore, mining activities in this area would not have an adverse impact on EFH. The EFH for red king crab is in Norton Sound (Appendix B). TPECI and IPOP recognize there is significant regional concern with the red king crab stock.

4.1.1 Red King Crab Impact Analysis

TPECI and IPOP understand the proximity of the Red King Crab EFH to the mining claims. However, TPECI does not believe mining activity at any of the IPOP claims could have an adverse effect on the Red King Crab EFH because of its significant distance from the area.

5.0 CONCLUSIONS

TPECI has reviewed EFH literature in this area and does not believe suction dredging the ten IPOP mining claims will adversely affect EFH in this area. Mitigation is therefore not applicable.

Five species of salmon have EFH that overlap with the mining claims. However, the ADEC turbidity mixing zone restrictions prevent turbidity plumes generated by placer mining to exceed 500-feet. At no single point

within any of the ten IPOP mining claims could a 500-foot turbidity plume obstruct salmon passage to the Bonanza and Solomon Rivers. Saffron cod does not have EFH in the area. However, it is a popular fish that is locally fished from the Bonanza Channel and Bonanza Bridge in the fall. Mining activities in the Bonanza Channel will be several miles from the subsistence area. The Red King Crab EFH is located several miles offshore in the Norton Sound, but does not overlap with any of the IPOP mining claims.

6.0 **REFERENCES**

- ADEC, Alaska Department of Environmental Conservation, Authorization to Discharge Under the Alaska Pollutant Discharge Elimination System for Medium-Size Suction Dredge Placer Miners: General Permit Number AKG371000, Effective: February 1, 2016, Expires: January 31, 2021.
- ADF&G, Alaska Department of Fish & Game, Anadromous Waters Interactive Mapper, <u>http://extra.sf.adfg.state.ak.us/FishResourceMonitor/?mode=awc</u>, accessed April 5-10, 2018.
- Menard, J., D. J. Bergstrom. 2003 Norton Sound Nome Subdistrict Chum Salmon Stock Status and Action *Plan: a report to the Alaska Board of Fisheries*. Alaska Department of Fish and Game, Regional Information Report No. 3A03-35, Anchorage.
- Menard, J., D. J. Bergstrom. 2015. Norton Sound Subdistricts 1-3 chum salmon stock status and action plan, 2016; a report to the Alaska Board of Fisheries. Alaska Department of Fish and Game, Special Publication No. 15-18, Anchorage.
- NMFS, National Marine Fisheries Service, Essential Fish Habitat Interactive Mapping Tool, <u>https://www.habitat.noaa.gov/protection/efh/efhmapper/index.html</u>, accessed April 5-10, 2018.
- NPFMC, North Pacific Fishery Management Council, 2009 Fishery Management Plan for Fish Resources of the Arctic Management Area, August 2009.

APPENDIX A

Figures





1





APPENDIX B

NMFS EFH Maps



Chinook Salmon EFH Accessed April 10, 2018



NOAA HABITAT CONSERVATION HABITAT PROTECTION



Accessed April 10, 2018







Accessed April 10, 2018





Pink Salmon EFH Accessed April 10, 2018



Sockeye Salmon EFH

Accessed April 10, 2018





Saffron Cod EFH

Accessed April 10, 2018





Red King Crab EFH Accessed April 10, 2018



Exhibit 6

Alternatives Analysis

Project Location and Layout Options

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
	100.004	Reason Eliminated from Further Analysis (if applicable)	Leal deal is
Location-	LOC-001	Origination- Applicant Proposed Project	Included in
Bonanza Channel		Description - The proposed project involves the development of a placer gold deposit on state ground.	Action Alternative 1
		in water, in the Nome region of the Seward Peninsula, Alaska. The Applicant's stated project purpose	Alternative 1
		is: To economically produce gold from the inland water portion of IPOP's mining claims on the	
		Bonanza Channel and Tidal Lagoon using proven technologies that are specifically designed for	
		shallow water estuary dredging and ultra-fine gold recovery.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Location- Nome Offshore	LOC-002	Origination- Evaluating alternative mining location options for placer gold during project development	Eliminated from Further Analysis
		Description- This option involves an alternative project located on an offshore mining lease. Such	
		lease areas exist in the Nome region of the Seward Peninsula, Alaska, but these areas have been	
		mined before and depleted the gold resources available to mine and these areas and are not within a shallow, calm water body.	
		Screening-	
		1. Purpose and Need Test: Does not meet the project purpose and may not meet the project need.	
		The area may or may not contain economic concentrations of gold. Additionally working in ocean waters vastly decreases the reach of a ladder-type dredge, significantly affecting the economic	
		potential of mining offshore.	
		2. Reasonable and Practicable Test: This option is not reasonable nor practicable. There is no	
		guarantee that the mining lease has not been mined before, therefore a given parcel may or may not	
		be economic- this is a great unknown. The Applicant's machinery is designed for shallow, calm water,	
		the freeboard is 18 inches, meaning ocean waves would swamp and sink the dredge. Additionally, the	
		reasonable to assume a successful operation to achieve the project purpose.	
		3. Environmental Impacts Test: No reason to believe that mining in the offshore would cause fewer	
		environmental impacts than mining in shallow, non-productive estuaries. Additionally , there is no	
		potential environmental benefit to mining offshore.	
		Why Eliminated: This alternative does not meet the Applicant's stated project purpose. These areas	
		are outside of the experience skillset of the company and the equipment designed by the company	
		will not work in the offshore environment, thus it is not reasonable to assume a successful operation	
		that would achieve the Project Need. Additionally mining offshore does not provide an environmental	
		benefit (compared to the potential benefits of mining on the Bonanza Channel of creating essential	
		fish habitat and/or creating shorebird, seabird habitat with dredged material).	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Location- Nome,	LOC-003	Origination- Evaluating alternative mining location options for placer gold during project development	Eliminated from
Solomon or			Further Analysis
Surrounding		Description- This option explores seeking placer deposits on land, in the Nome and the Council-	
Area, Uplands		Solomon Mining Districts. No open State of Alaska lands were available to stake claims and although	
		some claims and land exists to purchase or lease in the Nome region of the Seward Peninsula, Alaska,	
		the land is overpriced, and leases are too expensive. Additionally, the upland area of Nome has been	
		mined extensively and gold resources are diminished. Furthermore, a mine in this area would be a	
		surface mine that would have a negative affect on air quality, and visual impacts.	
		Screening-	
		1. Purpose and Need Test: Does not meet the Applicant's stated project purpose as the project	
		purpose is water and location dependent. This option would meet the project need only if the area	
		contains economic concentrations of gold.	
		2. Reasonable and Practicable Test: This option is not reasonable. No State of Alaska land was	
		available for staking that had not been mined previously, and any land for sale was overpriced.	
		Additionally because the area had been mined in the past the mining has significantly reduced the	
		amount of mineable placer gold resources and it is unknown if an exploration or mining program	
		would identify any resources remaining in this area. The upland areas are not practicable for this	
		operation either, as IPOP's operation is using a shallow water dredge, and these projects would be on	
		land using heavy equipment.	
		Why Eliminated: Does not meet the project purpose (stated as location and water dependent). This	
		alternative area is an unreasonable place to find a placer project area because there was no ground	
		available to stake mineral claims, and what was available was uneconomical. Additionally exploration	
		records were inconsistent and could not be relied upon and the area had already been well picked	
		over and mined historically. Also this option required a surface mining operation with the associated	
		negative environmental impacts such as noise, disturbance, carbon footprint and negative visual	
		impacts. The Applicant's equipment is designed for use in a shallow water sitting.	
	•	•	÷

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Location- Nome, Solomon or	LOC-004	Origination - Evaluating alternative mining location options for placer gold during project development	Eliminated from Further Analysis
Surrounding		Description - This option is to seek placer properties in water (streams and rivers) within either the	
Area, Productive		Nome or the Council-Solomon mining district. There are no open State of Alaska lands available to	
Placer Rivers or		stake claims. Although some claims and land exists to purchase or lease in the Nome region of the	
Streams		Seward Peninsula, Alaska, the land is overpriced, and leases are too expensive. Additionally, all	
		productive streams and rivers of Nome and Solomon and surrounding areas have been mined	
		extensively for 120 years and have significantly reduced the amount of mineable placer gold	
		resources.	
		Caraaning	
		1. Purpose and Need Test: Does not meet the Applicant's stated Project Purpose. Meets the project need.	
		2. Reasonable and Practicable Test: This option is not reasonable as no State of Alaska land was	
		available for staking that had not been mined previously, and any land for sale was overpriced and	
		previous mining had depleted any remaining, mineable gold resources in these areas. Additionally	
		because the area had been mined in the past, it is unknown if an exploration or mining program would	
		identify any resources remaining in these areas. This option is not practicable as the Applicant's	
		equipment is designed for mining sands, not gravels down to bedrock as would be required in the	
		stream setting.	
		Why Eliminated: This alternative area does not meet the Applicant's stated project purpose. Also,	
		this area is not a good place for the Applicant to find a placer gold project area because there was no	
		ground available to stake mineral claims, and what was available was uneconomical. Additionally	
		exploration records were inconsistent and could not be relied upon, and the area had already been	
		mined for a very long time. Also this option requires a dredge or a surface mining set up that can	
		remove and screen large rocks and gravels down to bedrock. The Applicant's equipment is not	
		designed for this stream-dredging or mining application.	
Location- Other Areas of Alaska	LOC-005	Origination- Evaluating alternative mining location options for placer gold during project development	Eliminated from Further Analysis
		Description - This option requires finding and staking or acquisition of a placer gold project elsewhere in Alaska	
		Screening-	
		1. Purpose and Need Test: Does not meet IPOPs stated project purpose nor does it meet the project	
		need to provide socio-economic benefits to the rural and remote community of Nome and	
		surrounding communities.	
		2. Reasonable and Practicable Test: No State of Alaska land was available for staking that had known	
		large placer gold resources and had not been mined previously. Land for sale in high producing placer	
		camps has been worked over and no reliable resource estimates are available. Exploration and	
		discovery of new placer deposits is expensive and time consuming and would not be economic. The	
		cost per ounce of gold purchased is more expensive in areas previously mined with depleted	
		resources.	
		Why Eliminated: 1) this location did not meet the purpose and need test because it would not result	
		In producing gold from the water of the Applicants Claims or providing socio-economic benefits to	
		Nome and surrounding communities. 2) Considering placer gold ground in other areas of Alaska	
		would not work for this project because there was no ground available to stake mineral claims, and	
		what was available would involve a surface mining operation that would likely be uneconomical.	
		Additionally exploration records for placer deposits are often unreliable and inconsistent so the	
		process of location, evaluation, and feasibility would be very time consuming and expensive.	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Location- Other	LOC-006	Origination - Evaluating alternative mining location options for placer gold during project development	Eliminated from
areas outside of		Description . This option requires finding and staking or acquisition of a placer gold project outside of	Further Analysis
Alaska		Alaska	
		Screening-	
		1. Purpose and Need Test: Does not meet IPOPs project purpose and need to a) produce gold from	
		the water body on IPOP's claims, b) provide socio-economic benefits to the rural and remote	
		community of Nome and other surrounding communities, c) provide a significant economic revenue	
		generator for the State of Alaska in terms of rental and royalty payments, and d) develop and operate	
		a gold mining project in Alaska in order to meet current and future demand for the metal	
		Why Fliminated: Does not meet the Purpose and Need Test. The Applicants stated project need is to	
		produce gold commodity from Alaska to provide an economic revenue generator for the State of	
		Alaska and to develop an Alaskan Mine to meet current and future demand constrains the location	
		alternatives: therefore this option does not meet the overall purpose of the project.	
		· · · · · · · · · · · · · · · · · · ·	
Layout-	LAY-001	Origination- Applicant Proposed Project	Included in
Proposed			Action
Layout: One		Description - This layout is based on locating the mining area in a single continuous "mining channel"	Alternative 1
Continuous		located by capturing areas where the applicant had conducted exploratory drilling that indicated the	
Mining Areas		presence of economic gold concentrations. The mining channel is continuous to combine all dredge	
(Mining Channel)		material disposal sites into a single area, and to mine systematically through the gold-enriched sands	
		to a prescribed depth, resulting in a predictable plan, with predictable results, thereby minimizing the	
		lenvironmental impact of the mining operation as compared to other alternatives considered.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Layout- No	LAY-002	Origination- This mine layout option was the first option envisioned by the Applicant.	Eliminated from
Defined Mining			Further Analysis
Areas		Description - This option involves "indicative" mining, whereby the location of gold by mining directs	-
		the mining rather than mining being directed by drilling results.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This layout was originally part of the Applicant's proposed	
		project, and on that basis, is assumed by the applicant to be reasonable and practicable.	
		3. Environmental Impacts Test: This option could conceivably result in a larger seasonal footprint (or	
		acreage of estuarine disturbance), if the gold distribution is erratic and varies with respect to depth.	
		Does not meet minimization requirements and does not pass this test.	
		Why Eliminated: This option would not provide an environmental banefit and would not most	
		minimization criteria for the operation	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Layout- Five	LAY-003	Origination - This mine layout option was proposed in November, 2019 draft application.	Eliminated from
		Description - This layout is based on locating mining areas to avoid vegitated shallows in and around	Further Analysis
Mining Areas		an area that had been sparsely drilled. The reason for the mining area layout was considered to	
Winning Areas		minimize the distruption of vegitated shallows, even though the vegitation was not the eelgrass beds of concern.	
		Screening-	
		1. Purpose and Need Test: Meets the purpose and need	
		2. Reasonable and Practicable Test: This layout was originally part of the Applicant's proposed	
		project, and on that basis, is assumed by the Applicant to be reasonable and practicable at the time.	
		3. Environmental Impacts Test: The random placement of the seasonal mining areas results in	
		random dredge material disposal site locations, potentially increasing the seasonal disturbance footprint not only annually, but overall.	
		Why Flimingted: This method and layout results in scattered dredge material disposal sites and	
		islands of un-mined material between the seasonal mining areas that may or do have economic gold	
		concentration and could eventually be mined at some point in the future. Because the mining	
		sequence is not systematic, and because this layout would potentially increase environmental	
		disturbance, this layout does not meet minimization criteria for the operation.	
Layout-	LAY-004	Origination- This mine layout is a hypothetical layout in the event of strict regulation restricting the	Eliminated from
Restricted		areas the Applicant can mine.	Further Analysis
Mining Size		Description - A small restricted size of the mining area, restricting it to a claim, portion of a claim, or	
		limiting the claims that can be mined.	
		Screening-	
		1. Purpose and Need Test: Does not pass this test. A small restricted layout would conflict with the	
		other surrounding communities b) provide a significant economic revenue generator for the State of	
		Alaska in terms of rental and royalty payments, by significantly reducing the life of mine, and	
		potentially shutting down an operation by reducing or eliminating its internal rate of return.	
		Why Eliminated: Restricting the area open to mining would have a detrimental economoic effect to	
		the operation.	
Layout-	LAY-005	Origination- This mine layout is hypothetical layout in the event of strict regulation.	Eliminated from
Restricted Mining Depth		Description - Restricting the operation with respect to depth of dredging.	Further Analysis
		Screening-	
		1. Purpose and Need Test: Meets the purpose and need	
		2. Reasonable and Practicable Test: This layout passes this test.	
		3. Environmental Impacts Test: There is no environmental benefit to shallow dredging as compared	
		to deep trench dredging. Deep dredging results in less overal acres of disturbance and a smaller	
		annual operational footprint.	
		Why Eliminated: This method and layout results in larger estuarine disturbance over deep dredging	
		and as a result was eliminated.	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
Lavout-Larger	LAY-006	Origination - This option considers the evaluation to maximize the potential economic benefits of	Is considered to
Mine/Dredge	L/11 000	developing the deposit by mining the larger extent of the gold resource over time, resulting in a longer	be a
Area to Develop		life-of-mine, as the Applicant anticipates after having claimed such a large area.	Reasonable
More of the			Foreseeable
Placer Gold		Description - This option would increase the mine site and dredging extents over time, extending the	Future Action
Deposit		duration of the operation to develop more of the known and inferred mineral potential in the estuary.	with potential
Annually.		Screening-	cumulative
		1. Purpose and Need Test: Meets the purpose and increases the liklihood that the project would	environmental
		meet the Applicant's stated project need	effects, but also
		2. Reasonable and Practicable Test: This layout was originally part of the Applicant's proposed	a significant
		project, and on that basis, is assumed by the Applicant to be reasonable and practicable at the time.	environmental
		Shareholders of the company have been told that expanded development is an option.	benefit
		3. Environmental Impacts Test: This option would slightly increase the environmental impacts,	
		nowever temporarily by increasing the overall mining footprint. I nough because of the well thought	
		conceal this disturbance year to year, with a net environmental effect similar to a one or two year	
		operation. Deepening of the Bonanza Channel to create fish passage over the entire lenght of the	
		Bonanza Channel would be a tremendous environmental benefit to the dying estuary.	
		Discussion: This option is not eliminated, but considered as a reasonable foreseeable future action	
		because it provides potential environmental benefits, it was not found to be reasonable or practicable	
		at the current time.	
Dredge Material	DDS-001	Origination- Applicant Proposed Project	Included in
Disposal Sites-		Description- This dredge material disposal site layout is based on depositing/locating the dredge	Action Alternative 1
Layout: Dredge		material adjacent to the access channel and mining channel at a level right at or below the MLLW	Alternative I
material disposal		(Mean Lower Low Water) level. The mining channel is continuous to combine all dredge material	
sites underwater		disposal sites into a single area between the mining channel and the N shore of Bonanza Channel	
adjacent to the		alternatives considered. Dredge material disposal sites are locations for temporary storage of	
dredge mining		material/soils from access trenches, and excess dredged soils (bulk, or swell) that may occur during	
channer		normal mining operations.	
		Screening, Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Dredge Material	DDS-002	Origination- This DDS option is considered in the event that more swelling/bulking of soil occurs	Included in
Disposal Sites-		beyond what is expected.	Action
Dredge material		Description . This dradge material disposal site layout is based on depositing/locating the dredge	Alternative 2
above water		material adjacent to the access channel and mining channel above the MLLW (Mean Lower Low	
adjacent to the		Water) level in the event that extra storage space is needed should bulking of material exceed what is	
dredge mining		calculated and expected for this project. The mining channel is continuous to combine all dredge	
channel		material disposal sites into a single area, and to mine systematically resulting in a predictable plan,	
		with predictable results, thereby minimizing the environmental impact of the mining operation as	
		temporary storage of material/soils from access trenches, and excess dredged soils (bulk, or swell)	
		that may occur during normal mining operations.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		contingency and mitigation plan, and on that basis, is assumed by the applicant to be reasonable and	
		practicable.	
		3. Environmental Impacts Test: This option could be a benefit to the environment by creating	
		shallows and mudlfats that may provide habitiat and feeding areas for seabirds, shorebirds and	
		waterbirds.	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
Due des Meterial	DDC 002	Reason Eliminated from Further Analysis (if applicable)	
Dredge Material	DD2-003	Origination- This option considers the evaluation of depositing excess dredge spoil on uplands.	is considered to
Linlands		Description- This option would increase the project footprint, but would allow deepening of the	Reasonable
opianas		Bonanza Channel for fish habitat.	Foreseeable
		Concerning .	Future Action
		Screening-	with potential
		1. Purpose and Need Test: Meets the purpose and need	significant
		designed to nump solids after processing, and though the equipment can be added, the potential	environmental
		benefit does not outweigh the costs to the Applicant.	benefits
		3. Environmental Impacts Test: This option would slightly increase the environmental impacts in the	
		short-term by temporarily by increasing the overall mining footprint. The benefit to the environment	
		may be that natural re-vegitation would conceal this disturbance year to year with grass growth,	
		providing critical upland nesting habitiat for various species of birds and waterfowl. Deposition of	
		dredged material outside of the Bonanza Channel would allow deepening of the Bonanza Channel to	
		create fish passage over the entire lenght of the Bonanza Channel and would be a tremendous	
		Discussion: This option exceeds the scope of the proposed 5 year project. Because expansion is a	
		possible future action, it is not considered an alternative option to the proposed project.	
Dredge Material	DDS-004	Origination- This option considers the evaluation of depositing a percentage of dredge spoil along the	Eliminated from
Disposal Sites-		shore of Norton Sound in the supratidal zone	Further Analysis
Ocean Beach,			
Supratidal		Description- This alternative considers pumping a percentage of the dredge spoil/soil across the	
Deposition		Nome-council righway to the beach and deposit in the supratidal zone for beach renounsiment.	
		Screening.	
		1. Purnose and Need Test: Meets the nurnose and need	
		2. Reasonable and Practicable Test: This option is not practicable with the equipment as it is not	
		designed to pump solids after processing and heavy equipment would be needed on the barrier island	
		to distribute the sand along the beach. Though the equipment can be added, the potential benefit	
		does not outweigh the costs to the Applicant at this time.	
		3. Environmental Impacts Test: This option would provide a net benefit to the environment providing	
		beach nourshment for the barrier island that is constantly washing away due to longshore currents.	
		The deposition of sediment in the supritidal zone would potentially create a food source for various	
		species of shorebirds, seabirds and waterbirds. Deposition of dredged material outside of the	
		Bonanza Channel would allow deepening of the Bonanza Channel to create fish passage over the	
		lentire lenght of the Bonanza Channel and would be a tremendous environmental benefit to the dying	
		estuary.	
		Why Eliminated: This option is not practicable for cost reasons, and may not be a reasonable	
		alternative as it would alter the shorelines of adjacent private property.	

Project Location and Layout Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Dredge Material	DDS-005	Origination- This option considers the evaluation of depositing a percentage of dredge spoil along the	Is considered to
Disposal Sites-		shore of Norton Sound in the intratidal zone	be a
Ocean Beach,			Reasonable
Intratidal		Description - This alternative considers pumping a percentage of the dredge spoil/soil across the	Foreseeable
Deposition		Nome-Council Highway to the beach and deposit in the intratidal zone for beach renourishment.	Future Action
			with potential
			significant
		Screening-	environmental
		1. Purpose and Need Test: Meets the purpose and need	benefits
		2. Reasonable and Practicable Test: This option is not practicable with the equipment as it is not	
		designed to pump solids after processing, but because the material would be deposited in the	
		intratidal zone wave action and longshore currents would re-distribute the sand along the beach	
		naturally. Though this pumping capacity can be added to the project, the potential benefit does not	
		outweigh the costs to the Applicant at this time.	
		3. Environmental Impacts Test: This option would provide a net benefit to the environment providing	
		beach nourshment for the barrier island that is constantly washing away due to longshore currents.	
		Deposition of dredged material outside of the Bonanza Channel would allow deepening of the	
		Bonanza Channel to create fish passage over the entire lenght of the Bonanza Channel and would be a	
		tremendous environmental benefit to the dying estuary.	
		<i>Why Eliminated:</i> This option is not practicable for cost reasons at this time.	

Mining Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
Mining Toro		Reason Eliminated from Further Analysis (if applicable)	to all all all 1
Mining Type-	MIN-001	Origination- Applicant Proposed Project	Included in
Dredge Mining		Description - This option is central to the ideas, planning and economics of the proposed project which consists of using a cutterhead dredge to mine the gold-rich sands in the shallow estuary.	Alternative 1
		Screening- Because this option is included in the proposed project, it meets the three screening criteria for purposes of detailed environmental review	
Mining Type-	MIN-002	Origination- Historically much of the Seward Peninsula was mined using bucket-line dredges.	Eliminated from
Bucket Line Dredge Mining		Description - This option involves mining using a series of buckets on a chain that are constantly digging, requiring no pumps to move material up to the processing plant.	Further Analysis
		Screening-	
		 Purpose and Need Test: Meets the project purpose and need Reasonable and Practicable Test: This method is out of date, old technology, and is too slow and maintenance-intensive to be considered a practicable means for mining in this location, more suited to rocky stream and river beds, or large stretches of historical beach area like around the Nome Uplands. 	
		<i>Why Eliminated:</i> This alternative is slow compared to MIN-001, this coupled with the high maintenance costs make this method un-economic.	
Mining Type- Tailing Suction Dredge Mining	MIN-003	Origination- An alternative to cutterhead dredging. Description- This option involves using a larger self-propelled vessel that moves along the waterbody whilst dragging one or two trailing suction heads with hard-faced teeth. A combination of water sprays and the dragging and suction remove channels of material, essentially vacuuming sediment as it travels. Of all dredging methods this method is said to be one of the most effective at collecting a majority of the heavy mineral component of the material being dredged.	Eliminated from Further Analysis
		 Screening- 1. Purpose and Need Test: Meets the purpose and need 2. Reasonable and Practicable Test: This alternative does not pass this test because this method requires a large vessel, generally designed for deepening ship passages, it would be unable to float in the shallow 2-4ft waters of Bonanza Channel. Why Eliminated: This alternative will not work in shallow waters. 	
Mining Type-	MIN-004	Origination- An alternative to cutterhead dredging.	Eliminated from
Standard Suction Dredge Mining		Description - This option involves using a single or a series of smaller 8-10 inch floating suction dredges operated by divers.	Further Analysis
		 Screening- 1. Purpose and Need Test: Because this method has a reduced throughput compared to the Applicant's proposes MIN-001 this mining method would result in reduced gold production compared to MIN-01, thus would not pass this test for project need with regards to a) would not provide socio-economic benefits to the rural and remote community of Nome and other surrounding communities, b) would not provide a significant economic revenue generator for the State of Alaska in terms of rental and royalty payments. Why Eliminated: This alternative does not meet the project purpose and need requirement. 	

Mining Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Mining Type-	MIN-005	Origination- An alternative to cutterhead dredging.	Eliminated from
Backhoe or Dipper Dredge		Description - This option involves using a dredge outfitted with an excavotor, or a clamshell style dipper that is lowered into the water either on a hydraulic arm (backhoe) or a cable (dipper). The dipper or bucket picks up material and is retrieved to the surface and dumped in a hopper.	Further Analysis
		 Screening- 1. Purpose and Need Test: Because this method has a reduced throughput compared to the Applicant's proposes MIN-001 this mining method would result in reduced gold production compared to MIN-01, thus would not pass this test for project need with regards to a) would not provide socio-economic benefits to the rural and remote community of Nome and other surrounding communities, b) would not provide a significant economic revenue generator for the State of Alaska in terms of rental and royalty payments. 	
		Why Eliminated: This alternative does not meet the project purpose and need requirement.	
Mining Type-	MIN-006	Origination- An alternative to cutterhead dredging.	Eliminated from
Dragline Dredge		Description - This option involves using a dredge outfitted with a dragline bucket that is winched between a fixed location ahead of the dredge and the dredge itself. The bucket scoops up material and is retrieved to the surface of the water and dumped in a hopper.	Further Analysis
		Screening-	
		1. Purpose and Need Test: Because this method has a reduced throughput compared to the Applicant's proposes MIN-001 this mining method would result in reduced gold production compared to MIN-01, thus would not pass this test for meeting the project need with regards to a) would not provide socio-economic benefits to the rural and remote community of Nome and other surrounding communities, b) would not provide a significant economic revenue generator for the State of Alaska in terms of rental and royalty payments	
		Why Eliminated: This alternative does not meet the preject purpose and need requirement	
Mining Type		Origination An alternative to cutterboad dredging	Eliminated from
Wash Plant, Sluces and Fine Gold Jigs		 Description- This option involves moving sediment with excavators or loaders, hauling with a truck to a washplant where the material is screened and processed through a series of sluce boxes and gravity circuit equipment to recover various size fractions of gold. Screening- Purpose and Need Test: Because this method has a reduced throughput compared to the Applicant's proposes MIN-001 this mining method would result in reduced gold production compared to MIN-01, thus would not provide socio- 	Further Analysis
		 economic benefits to the rural and remote community of Nome and other surrounding communities, b) would not provide a significant economic revenue generator for the State of Alaska in terms of rental and royalty payments 2. Reasonable and Practicable Test: This alternative does not pass this test because this method is not reasonable for mining fine sand from under water in an estuary. 	
		Why Eliminated: This alternative does not meet the project purpose and need requirement.	

Processing Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Facility Location	PRO-001	Origination- Applicant Proposed Project	Included in
& Process Type-			<u>Action</u>
On-site Gold		Description - This alternative is part of the proposed project in which the material dredged from the	Alternative 1
Concentrate		operation will be processed on-site on a processing barge that follows the dredge. Material is	
Production		transported to the processing barge with a long flexible pipe.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Facility Location	PRO-002	Origination - The Applicant evaluated the option of "off-site" or "alternate-site" processing when	Eliminated from
& Process Type-		designing the project. In this case off-site meant processing material "outside of the estuary".	Further Analysis
Alternate-site		······································	, ,
Ore Processing		Description- This option involves dredging ore, or sediment, and piping it to an alternate location for	
0		processing.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This method does not pass this test as pumping costs would	
		make this option less reasonable than the alternative PRO-001. Additionally, this option is less	
		practicable than PRO-001 as it requires either access across lands to the coastal processing location,	
		or a very long pipe that would need to be semi-permanent and would need to be constantly	
		lengthened.	
		3. Environmental Impacts Test: Increased environmental impacts will result on land.	
		Why Eliminated: This alternative is not Reasonable or Practicable compared to PRO-001.	

Mining Rate Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Mining Rate- 267	YPH-001	Origination- Applicant Proposed Project	Included in
Yd/Hr		Been that the This allowed that the end of the second and the first the birth allowed with the device of a first	<u>Action</u>
		Description- This alternative is part of the proposed project in which the material is dredged at a	Alternative 1
		design rate of 267 cubic yards per hour.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Mining Rate-	YPH-002	Origination- The Applicant evaluated the option of smaller dredge throughputs.	Eliminated from
Reduced Mining			Further Analysis
Rate		Description- This option involves dredging ore at a throughput less than YPH-001	,
		Scrooning	
		1. Durnose and Need Test: Recause project economics for fine grained low grade placer gold are	
		sensitive to gold price, recovery and throughout (production) this option does not pass this test	
		becuase it has the potential to not a) provide socio-economic benefits to the rural and remote	
		community of Nome and other surrounding communities b) provide a significant economic revenue	
		generator for the State of Alaska in terms of rental and royalty navments	
		Scherator for the state of Alaska in terms of rental and royardy payments	
		Why Eliminated: This alternative does not pass the Purpose and Needs Test.	
Mining Rate-	YPH-003	Origination- This option considers the evaluation to maximize the potential economic benefits of	Is considered to
Expanded Mining		developing the deposit by mining at a much faster rate resulting in a shorter life-of-mine, but a more	be a
Rate		profitable operation.	Reasonable
			Foreseeable
		Description - This option would increase the dredge throughput (production) consequently increasing	Future Action
		the daily, monthly and annual gold production.	for meeting the
		Screening-	stated project
		1. Purnose and Need Test: Meets the project nurnose and need	need
		2 Reasonable and Practicable Test: This layout was originally part of the Applicant's proposed	
		project and on that hasis is assumed by the Applicant to be reasonable and practicable at the time	
		Shareholders of the company have been told that increased dredge throughput is an ontion	
		2 Environmental Impacts Test: This option would slightly increase the environmental impacts by	
		increased turbidity and larger everall cosconal mining footarint. Theugh because of the well thought	
		Increased turbidity and larger overall seasonal mining rootprint. Though because of the well thought	
		conceal this disturbance year to year with a net environmental effect similar to a one or two year	
		operation.	
		Dsicussion: This option exceeds the scope of the proposed 5 year project. Because throughput	
		modifications are a possible future action, it is not considered an alternative option to the proposed	
		project.	

Gold Recovery Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
Cald Base	AUD 004	Reason Eliminated from Further Analysis (if applicable)	to de de des
Gold Recovery-	AUK-UUI	Origination- Applicant proposed project. This option considers the evaluation to maximize the	Action
Gravity		potential economic benefits of the project by processing the samus using strictly gravity separation.	Alternative 1
		Description- This option would use nugget boxes followed a centrifuge technology coupled with	
		spirals specifially designed to recover very fine gold out of the sands, clays and silts to recover the	
		maximum percentage of gold.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Gold Recovery-	AUR-002	Origination - This option considers the evaluation to maximize the potential economic benefits of the	Eliminated from
Cyanide		project by processing the concentrates using a small cyanide CIL processing unit.	Further Analysis
		Description - This option would use cyanide to dissolve gold out of the concentrate and tailings to recover any gold too fine for the gravity circuit.	
		Screening-	
		Purpose and Need Test: Meets the project purpose and need Possenable and Practicable Test: This method does not pass this test as the sorts associated with	
		this method would make this option less reasonable than the alternative PRO-001. Additionally, this	
		option is less practicable than PRO-001 as it requires the use of a chemical solvent and creates a	
		potential environmental liability.	
		3. Environmental Impacts Test: Cyanide is toxic to aquatic organisms, wildlife and humans. This	
		option does not pass this test as it would increase the risk to the environment and not provide an environmental benefit.	
		Why Eliminated: This option is not reasonable nor practicable and increases the potential risk to	
		adverse environmental impacts form the transportation, storage and use of cyanide.	
Gold Recovery-	AUR-003	Origination- This option considers the evaluation to maximize the potential economic benefits of the	Eliminated from
Mercury		project by processing the concentrates using mercury.	Further Analysis
		Description - This option would use mercury to recover gold from the concentrate too fine for the gravity circuit.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This method does not pass this test as the costs associated with	
		this method would make this option less reasonable than the alternative PRO-001. Additionally, this	
		option is less practicable than PRO-001 as it requires the use of a toxic element creates a potential environmental liability.	
		3. Environmental Impacts Test: Mercury is toxic to aquatic organisms, wildlife and humans. This	
		option does not pass this test as it would increase the risk to the environment and not provide an	
		environmental benefit.	
		Why Eliminated: This option is not reasonable nor practicable and increases the potential risk to	
		adverse environmental impacts form the transportation, storage and use of mercury.	

Access Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
Desired Assess	DAG 001	Reason Eliminated from Further Analysis (if applicable)	
Project Access-	PAC-001	Origination- Applicant Proposed Project	Included in
Council Hwy		Description - This option considers accessing the project via the Nome-Council Highway, State of Alaska public Right-of-Way (ROW).	Alternative 1
		Screening- Because this option is included in the proposed project, it meets the three screening	
Project Access-	PAC-002	Origination. This option considers other options to accessing the mining claims	Eliminated from
Other	1 AC 002		Further Analysis
Alternatives		Description - This option considers accessing the project via alternative routes, other than the Nome-Council Highway.	
		Screening - The only other access options are by ocean or by air, both are neither practicable or reasonable for an area accessed by a public ROW.	
Mining Access-	MAC-001	Origination- Applicant Proposed Project	Included in
State of Alaska			Action
Land		Description - This option considers accessing the mining area through State of Alaska land on State of	Alternative 1
		Alaska Mineral Claims held by the Applicant.	
		Screening - Because this option is included in the proposed project, it meets the three screening criteria for purposes of detailed environmental review	
Mining Access-	MAC-002	Origination- This option considers accessing the mining area from private land.	Included as
Private Land			Action
		Description - This option considers accessing the mining area through private land along the Nome- Council Highway. This access route would require the Applicant to either 1) Lease land from a private landowner whose land borders the Appliant's State of Alaska Mineral Claims, or 2) Purchase land bordering the State of Alaska Mineral Claims from a private landowner to use as access to the mining	<u>Alternative 2</u>
		area.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This access is both Reasonable and Practicable for accessing some of the mining claims.	
		3. Environmental Impacts Test: This access does not pose any environmental risks or benefits.	
Mining Access-	MAC-003	Origination- This option considers accessing the mining area from Federal Land.	Eliminated from
Federal Land			Further Analysis
		Description - This option considers accessing the mining area through Federal land on the southwest	
		side of the claim block.	
		Screening-	
		1. Purpose and Need Test: Meets the purpose and need	
		2. Reasonable and Practicable Test: This method does not pass this test as the applicant does not	
		have Federal Mineral Claims.	
		Why Eliminated: This option is not reasonable nor practicable.	
Dredge Access-	DAC-001	Origination- Applicant Proposed Project	Included in
Access Channel -		Description - This option considers constructing and maintaining an access channel to the proposed	Altornative 1
Mining Claims		seasonal dredging areas on State of Alaska Mining Claims.	Alternative 1
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	

Access Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Dredge Access-	DAC-002	Origination - Evaluation of accessing the dredging area from the boat ramp, near Solomon bridge, that	Included as
Access Channel -		is with the State of Alaska, DOT, public easement and ROW.	Action
Solomon Bridge			Alternative 2
Boat Ramp		Description - This dredge access route option was evaluated by the Applicant when developing the	
		project plans to use this location for accessing claims near and to the East of the Solomon Bridge.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This access is both Reasonable and Practicable for accessing	
		some of the mining claims.	
		3. Environmental Impacts Test: This access does not pose any environmental risks or benefits.	
Dredge Access-	DAC-003	Origination - Evaluation of accessing the dredging area from Safety Sound	Eliminated from
Access Channel -	D/10 005	ongination Evaluation of accessing the areaging area non-surely sound	Further Analysis
Safety Sound		Description - This dredge access route option was evaluated by the Applicant when developing the	
Safety Sound		project plans to use this location for accessing the western-most claims nearest Safety Sound.	
		Screening	
		1. Purnose and Need Test: Meets the project nurnose and need	
		2 Reasonable and Practicable Test: This access is not reasonable as it would require a longer access	
		channel to be dredged and maintained to the mining area	
		3 Environmental Impacts Test: This access could have an environmental henefit of deepening the	
		channel for the passage of fish	
		Why Eliminated: This option is not reasonable as it would require a longer access channel that would	
		need to be dredged/deepend, and maintained. This longer access channel also stands a greater	
		chance of affecting wildlife as it would create more hours of boat traffic in Bonanza Channel.	

Camp and Power Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Camp Location-	CMP-001	Origination- Applicant Proposed Project	Included in
DOT ROW Nome-		Description . This option considers a camp location on mineral claims held by the Applicant adjacent	Action
Council Hwy,		to the Nome Council Highway	Alternative 1
State Mineral			
Claim DKSN 35		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Camp Location-	CMP-002	Origination - Evaluation of locating camp on private land near the mining area	Included as
Private Land		Paccription This camp option considers logging or purchasing private land from poarby landowners	Action
		for a camp location	Alternative 2
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option is Practicable for placing a camp near the mining	
		claims, but not reasonable considering private ground is held by various people, who may or may not	
		rent or sell, and who may or may not be close to the mining area, and who may or may not charge a	
		reasonable rate for using their land.	
		3. Environmental Impacts Test: This camp option may mean a longer access channel to the dredging	
		area, suseqently larger dredge material disposal sites, and more phyiscal disturbance of the estuary.	
Camp Location-	CMP-003	Origination - Evaluation of no camp near mining area	Eliminated from
No Camp		Paccription This camp option considers no camp for the operations, and workers commuting daily	Further Analysis
		from Nome to the work site	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option does not pass the Reasonable and Practicable test. It	
		is not reasonable to operate the project without a camp as it is >28 miles from Nome on a rough,	
		washboard gravel road because of the wear and tear on vehicles, and workers working 12 hour shifts,	
		driving nearly an hour before and after work. This option is not practicable either, as the costs of	
		housing a crew in Nome and the annual cost of fuel, tires and vehicle maintenance and liability far	
		outweigh the costs of supplying a man-camp for the operation.	
		2 Environmental Impacts Test: This camp option is not a benefit to the environment, as it would	
		s. Environmental impacts rest. This camp option is not a benefit to the environment, as it would substantially increase the daily traffic on the Nome-Council gravel highway, creating dust and poise	
		that could affect the birds along the Bonanza Channel. Additionally a camp with a satellite internet	
		system is preferable for uploading real-time environmental monitoring data.	
		<i>Why Eliminated:</i> This option is not reasonable or practicable because of costs and liability. The	
		option of not having a camp increases road traffic, which in turn creates more dust, more disruption	
		to the birds in the area, and increases the project's carbon footprint.	
Project Power-	POW-001	Origination- Applicant Proposed Project	Included in
On Site Power		Description - This option considers a dual diesel powered 55kWe stationary power source (generators)	Action 1
Generation-		located on mineral claims held by the Applicant adiacent to the Nome Council Highway.	Alternative 1
Jesei Generator			
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	

Camp and Power Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Project Power-	POW-002	Origination- Evaluation of a cleaner burning natural gas generator for a power source	Eliminated from
On Site Power			Further Analysis
Generation-		Description - This camp option considers using natural gas-fired generators as opposed to diesel.	
Natura Gas			
Generator		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option is Practicable because there is no natural gas supply	
		source in this area.	
		Why Eliminated: This option is not practicable as natural gas is not readily avaiable in the area of the	
		project.	

Environmental BMP and Reclamation Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Turbidity Control-	TUR-001	Origination- Applicant Proposed Project	Included in
Silt Curtain -			<u>Action</u>
100% Operation		Description - This option considers a bottom-mounted silt curtain surrounding the entire dredging	Alternative 1
Containment		operation, 10-12 acres at a time, to create a 100% turbidity containment and fish barrier.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
Turbidity Control-	TUR-002	Origination - Evaluation of surrounding only the processing barge with a silt curtain, original proposed	Eliminated from
Silt curtain		plan	Further Analysis
surrounding			
processing barge		Description - This option considers surrounding only the processing barge with a silt curtain that hangs	
only		above the bottom of the mining channel. This option was envisioned to control turbitity by allowing	
		fines to flocculate naturally within the curtain and stay out of the waterway.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option was believed to be practicable, but the applicant	
		determined it was not reasonable to assume that this method would allow them to meet the 100ft	
		mixing zone from an outfall as required by the ADEC.	
		3. Environmental Impacts Test: This alternative posed a risk of non-compliance to ADEC turbidity	
		limits outside of the 100ft mixing zone. Additionally, this method did not create a fish barrier to keep	
		fish out of the mining/dredging area.	
		Miles Eliminated. This entire second with of your compliance to ADEC to which the limits entire of the	
		Why Eliminated: This option poses a risk of non-compliance to ADEC turbidity limits outside of the	
		mining/drodging area	
Turbidity Control-	TUR-003	Origination - Evaluation of using no turbidity control for the dredging operation in conjunction with	Eliminated from
Control		2005.	Further Analysis
Control		Description - This option was considered with DDS-005 (pumping dredge spoils/soil) to the intratidal	
		zone of Norton Sound if 100% of the dredge material was disposed in the ocean.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option is not practicable with the equipment as it is not	
		designed to pump solids after processing, and is not reasonable to assume that there would be zero	
		turbidity from the mining operation and be able to meet the 100ft mixing zone requirements imposed	
		by ADEC.	
		Why Eliminated: This option poses a risk of non-compliance to ADEC turbidity limits outside of the	
		100ft mixing zone. Additionally, this method did not create a fish barrier to keep fish out of the	
		mining/dredging area.	
Turbidity	MON-001	Origination- Applicant Proposed Project	Included in
, Monitoring- Real			Action
Time Buoys or		Description - This option considers either a floating or a bottom-mounted tripod monitoring station	Alternative 1
Tripods		both up- and down-current of the mining operation that would capture, record and upload real-time	
		turbidity, conductivity, water temperature, weather, flow velocity data and send turbidity exceedance	
		alarms to the dredge operator for quick response in the case of a failed turbidity BMP.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review	
			*

Environmental BMP and Reclamation Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Turbidity	MON-002	Origination- Evaluation of monitoring turbidity physically with the use of a Secchi disk and a hand-held	Included in
Monitoring-		portable turbidity multi-probe that measures pH, ORP, conductivity, turbidity and temperature.	Action
Physical			Alternative 2
		Description - This option considers periodic physical measurements of mixing zone conditions by a environmental technician.	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option was believed to be practicable and reasonable using	
		the hand-held multiprobe instead of the Secchi disk in low light conditions.	
		3. Environmental Impacts Test: This alternative benefits the environment by measuring and	
		comparing background, up-current conditions with down-current mixing zone conditions. Because	
		this system is human-dependent, it relies upon diligence and training of the technician and requires	
		constant record-keeping. Because this system is not real-time, response/correction to a turbidity	
		release will be slower than MON-001. Thus this option represents trade-offs and is carried forth for	
		detailed consideration.	
Turbidity	MON-003	Origination- The option of no continuous turbidity modeling was briefly contemplated by the	Eliminated from
None			Fullier Analysis
None		Description- This option considers no monitoring of turbidity.	
		Caraoning	
		Screening-	
		2. Reasonable and Practicable Test: This alternative is not reasonable given the stakeholder and	
		agency concern over turbidity levels from this operation.	
		3. Environmental Impacts Test: This alternative does not create any environmental benefit and	
		provides no method of understanding or documenting either ever-changing background or	
		mining/dredging turbidity levels.	
		Why Climinated . This action was not reasonable from the perspective of the ADEC who would	
		require monitoring as a stigulation of the permit	
	850.004		
Reclamation-	REC-001	Origination- Applicant Proposed Project	Included in
Partial Re-		Description - This option considers reclamation concurrent with mining. The process involves: 1)	Action Alternative 1
establishment of		Measuring and modeling pre-mining depth with sonar and GPS, 2) Dredging and processing soils, 2)	Alternative 1
Natural Bottom		Depositing soils bulk/swell (if present) into the shallows of the dredge material disposal sites creating	
Profile		shallows for critical water/shore/sea bird habitat, 3) Deposition of remaining soil in a sweeping	
		pattern over the dredged out bottom until the prior mining depth is attained in the mining trench, or	
		until MLLW elevation is reached (as indicated by sonar and GPS on the processing platform) while	
		leaving the access channel at a newly established depth of 10' BMHW. The benefit to leaving the	
		access channel to the new depth of 10' BMHW is to improve navigability and/or depth required for	
		Itish passage and possible establishment of eel grass beds.	
		Screening- Because this option is included in the proposed project, it meets the three screening	
		criteria for purposes of detailed environmental review, specifically the benefit to the environment to	
		restoring the channel to its pre-mining condition.	

Environmental BMP and Reclamation Alternatives			
Option	Option #	Option Details and Screening	Outcome
		Option Details: Origination and Description	
		Screening Criteria: 1. Purpose and Need Test; 2. Reasonable and Practicable Test; 3. Environmental Impact Test	
		Reason Eliminated from Further Analysis (if applicable)	
Reclamation-	REC-002	Origination - Evaluation of reclaiming the bottom of the entire Bonanza Channel to pre-mining depth	Eliminated from
Concurrent 100%		profiles as proposed in previous preliminary project descriptions.	Further Analysis
Re-		Description This option considers concurrent mining/reclamation. The process involves: 1) Dradging	
establishment of		and processing soils 2) Denositing soils in a sweening nattern over the dredged out bottom unit the	
Natural Bottom		prior mining denth is reached. This method assumes a bulking factor of 0 meaning the material will	
Profile		not swell or expand after it is dredged up and processed	
		Screening-	
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option is a practicable alternative because the dredge and	
		processing equipment has Trimble GPS location mapping coupled with sonar and sophisitcated	
		software that develops a point-cloud bottom profile before mining, and lets the operators know when	
		reclamation/re-deposition of dredged material is restored to the pre-mining depth. However, it is not	
		reasonable to assume a buiking factor of U, and the Applicant expects some material buiking through	
		this mining process.	
		<i>Why Eliminated:</i> This option is not reasonable because the probability of the dredged material not	
		bulking (swelling or expanding) is very low.	
Reclamation-	REC-003	Origination - Evaluation of the option of improving fish habitat by deepening the Bonanza Channel.	Is considered to
Dredging and			be a
Deepening/		Description This option was considered with DDC 005 (sumping dradge speils (sail) to the intertidel	Reasonably
Improvement of		Description- This option was considered with DDS-005 (pumping dredge spons/soil) to the intratidal	Foreseeable
Bonanza Channel		sconaria, the bettern depth of the channel would be left at 20.21 feet below MHW (Mean High	Future Action
- No Reclamation		Water)	with potential
			significant
		Screening-	environmental
		1. Purpose and Need Test: Meets the project purpose and need	
		2. Reasonable and Practicable Test: This option is not practicable with the equipment as it is not	(SEE DDS-005)
		designed to pump solids after processing.	
		3. Environmental Impacts Test: This option provides the best environmental benefit to the future of	
		Bonanza Channel because: 1) Increasing the water depth would allow natural establishment of eel	
		grass beds (that need deep water to exist), 2) The new eelgrass habitiat would be beneficial to the	
		Salmon population, 3) The deep channel would provide safe salmon rearing and possibly improve the	
		productivity of the Bohanza and Solomon River fisheries.	
		Why Eliminated: This option is not practicable because of the designed equipment configuration,	
		and adding this capability would be expensive. Additionally, there is a lack of stakeholder	
		commitment to the improvement of the estuary.	

Exhibit 7

Fuel Tank Specifications



SPECIFICATION DATA SHEET I MODEL : 30TCG





Extend the run times of your diesel powered equipment with the **TRANS**CUBE[™] 30TCG. *Increased Efficiency* + *Decreased Expenses* = *Maximized Revenue*.

- Transportable. Full load lifting eyes, forklift pockets and internal baffles designed to allow handling of the tank full of fuel.
- Stackable. Easily stackable (2)-high full of fuel and (3)-high empty to reduce storage space requirements.
- Accessible. Access manway for maintenance and inspection of inner tank. Removable inner tank for servicing and cleaning.
- Efficient. Lockable equipment cabinet locks and secures equipment and fuel ports to run up to 3 pieces of diesel-powered equipment.
- Environmentally <u>Safe</u>. Double-walled, 110% containment eliminates the need for spill pans, UL 142 approved.

SPECIFICATIONS*

STANDARD FITTINGS: High accuracy contents gauge; 3"Fill Point; 2" fusible link fill port; 1" pump feed with flexible dip
pipe, strainer & non-return valve; (1) engine feed and return port set; pressure/vacuum vent; breather vent.
OPTIONAL FITTINGS: Complete transfer pump kits; water & particulate filter kits; fuel up to (2) feed & return blocks; fuel
hose & quick couplers.Capacity (Brim-Fill) Litres: 3000Dimension Height (mm/in): 1315 mm/51.77"Capacity (Brim-Fill) Imperial Gallons: 660Weight Empty (lbs/kg): 2234 lbs (1013kg)Capacity (Brim-Fill) US Gallons: 793Weight Full (lbs/kg): 8855 lbs (4016kg)

• •	
Dimension Length (mm/in): 2298 mm/90.45"	Approvals: UL142, ULC S-601-07, SUN IBC Type 31A,
Dimension Width (mm/in): 1548 mm/60 94"	LIN DOT NEPA Transport Canada Vlarem Kiwa

*Model specifications may slightly differ based on stock availability in your area. Please contact your local representative to confirm tank specifications.







SPECIFICATION DATA SHEET I MODEL : 40TCG





The **TRANS**CUBE[™] 40TCG is a versatile fuel deployment solution for larger diesel-powered equipment. With 1,000 gallons of back-up fuel, your need for fuel truck visits is decreased, which in turn helps you to lower your carbon footprint and your expenses!

- Transportable. Full load lifting eyes, forklift pockets and internal baffles designed to allow handling of the tank full of fuel.
- Stackable. Easily stackable (2)-high full of fuel and (3)-high empty to reduce storage space requirements.
- Accessible. Access manway for maintenance and inspection of inner tank. Removable inner tank for servicing and cleaning.
- Efficient. Lockable equipment cabinet locks and secures equipment and fuel ports to run up to 3 pieces of diesel-powered equipment.
- Environmentally <u>Safe</u>. Double-walled, 110% containment eliminates the need for spill pans, UL 142 approved.

SPECIFICATIONS

STANDARD FITTINGS: High accuracy contents gauge; 3"Fill Point; 2" fusible link fill port; 1" pump feed with flexible dip pipe, strainer & non-return valve; (1) engine feed and return port set; pressure/vacuum vent; breather vent. OPTIONAL FITTINGS: Complete transfer pump kits; water & particulate filter kits; fuel up to (2) feed & return blocks; fuel hose & quick couplers. Capacity (Brim-Fill) Litres: 3785 Bund Material Thickness (in): 1/8" Capacity (Brim-Fill) Imperial Gallons: 833 Inner Tank Material Thickness (in): 1/8" Capacity (Brim-Fill) US Gallons: 1000 Weight Empty (lbs/kg): 2724 lbs (1235kg) Dimension Length (mm/in): 2312 mm/91" Weight Full (lbs/kg): 9370 lbs (4251kg) Dimension Width (mm/in): 2200 mm/87" Approvals: UL142, ULC S-601-07, NFPA, Dimension Height (mm/in): 1220 mm/48" Transport Canada, Vlarem, Kiwa Dimension Cabinet Opening (mm/in): 850.9 mm x 355.6 mm/ 33.5" x 14"





P12

3,124 US GAL
11,834 LITRES
2,603 IMP GAL
118 x 96 x 114 IN
2,997 x 2,438 x 2,896 MM
8,816 LBS
3,999 KG