



THE STATE
of ALASKA

GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF MINING, LAND & WATER

Mining Section

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December 23, 2016

Tim Havey, Environmental Manager
Pebble Limited Partnership
3201 C Street, Suite 602
Anchorage, AK 99503

RE: EXTENSION OF LAND USE PERMITS

APPLICATION FOR PERMITS TO MINE IN ALASKA (APMA # A20156118)

APPLICATION FOR PERMITS TO MINE IN ALASKA (APMA # A20122788)

Dear Mr. Havey,

The State of Alaska, Department of Natural Resources, Division of Mining, Land & Water "*The Division*" received your timely application for continuing care, maintenance, and reclamation on Oct 13, 2016 and a request to consolidate those activities currently authorized via A20156118¹ and A20122788² entirely within a single authorization (6118) moving forward.

Pursuant to *Nunamta Aulukestai, et al v. State of Alaska, Department of Natural Resources*, Case No. 3AN-39-09173 CI, the Division is required to notify the plaintiffs of your application and allow for a 30-day period for the plaintiffs to provide written comments. The Division also published an online courtesy notice of the Division's intent to issue a Multi-Year 2017-2018 Land Use Permit for activities as described in your Oct 13, 2016 submittal.

The plaintiffs comment period ran from November 1, 2016 to November 30, 2016 in which the Division received an extensive volume of written submissions referencing your Multi-Year 2017-2018 Land Use Permit request. In consideration of the volume of submissions received and the impending expiration of both existing Land Use Permits referenced above, the Division is extending the current permits pursuant to 11 AAC 96.040(c)³.

The Department received many substantive comments on some complex issues. This 90-day extension of the existing Land Use Permits allows DNR staff the necessary time to comprehensively consider the breadth and scope of the complex issues raised through the public process, as well as consider possible stipulations that may be deemed appropriate on any future authorization.

(continued on pg. 2)

¹ Issued by the Division on May 14, 2015.

² Issued by the Division on May 12, 2012.

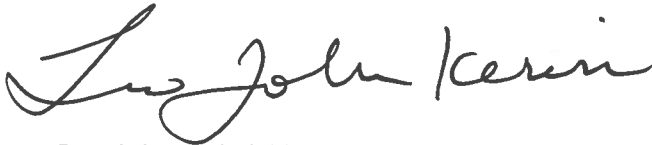
³ 11 AAC 96.040(c) "the permit may be extended for any number of consecutive periods, each period not to exceed one year."

The existing Land Use Permits for Hardrock Exploration and Reclamation⁴ are hereby extended and shall be effective through March 31, 2017 unless superseded before that date. All terms and conditions of the permits remain valid and no change to the originally permitted activity as described in the above referenced applications is approved at this time⁵. Any request for changes shall be submitted to this office in writing and shall be approved in advance before such work or modification can begin.

Operations conducted under this extension shall be conducted in conformance with applicable Federal, State and local laws and regulations now, or hereafter, in effect during the life of the authorization. Be advised the issuance of this extension does not relieve you of the responsibility of securing other permits required by Federal, State, or local authorities. Neither does this approval constitute certification of any property right nor land status claimed by the applicant.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99701; faxed to 907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to superior court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Sincerely,



Permitting and Field Operations

⁴ APMA A20156118 & APMA A20122788.

⁵ By December 31st of each year that your permit is in effect, you are required to submit the following:

1. An Annual Exploration Report detailing the exploration and reclamation actions taken during the year.
2. A Letter of Intent to do Reclamation for the next season (Use Reclamation/Signature Page of the APMA).

Please ensure that your Annual Exploration Report contains the following information:

- A written narrative describing your activities and the reclamation measures utilized at all disturbances.
- A topographic map showing the portion of the claim block where surface disturbing exploration activities have occurred. The plan map should be at a scale of 1"=1/2 mile, or other appropriate scale sufficient to illustrate: existing trails and roads; new trails and roads; drill hole locations; trench locations; the camp location; and, any other surface disturbances (please distinguish between reclaimed and unreclaimed features).
- A photo, with appropriate caption, of each reclaimed drill site and exploration trench.
- A photo of representative sections of any new road or trail construction.
- A detailed description of the methods used to plug the drill holes. (Note: Cement collar plugs should not be utilized in soils susceptible to "frost jacking")
- A list of Mining Claims by ADL# that contain unreclaimed disturbance at the end of the year and a total acreage that remains unreclaimed.