



## NEWS NUGGETS

Compiled by Shane Lasley

### Cohen to review EPA fairness in AK

Former U.S. Defense Secretary William S. Cohen March 24 said he and his firm, The Cohen Group, assisted by law firm DLA Piper, will conduct an independent review of whether the U.S. Environmental Protection Agency acted fairly in connection with its evaluation of potential mining in the Bristol Bay watershed in Southwest Alaska. "An investigation being conducted by the EPA's Office of Inspector General; inquiries and hearings into EPA actions by the House Committee on Oversight and Government Reform; and, more recently, an inquiry by the Senate Environment and Public Works Committee, as well as documents produced in response to Freedom of Information Act requests, have each raised questions as to whether the EPA proceeded fairly in its activities surrounding potential mining in the Bristol Bay watershed," said Cohen. The former secretary of defense has been retained by the Pebble Limited Partnership, owner of the Pebble copper-gold-molybdenum project located on state of Alaska mining claims in this area. Secretary Cohen said he will evaluate the fairness of EPA's actions and decisions in this matter based upon a thorough assessment of the facts and informed by his experience as secretary of defense as well as his 24 years as a member of the U.S. House of Representatives and Senate. "Our review will focus on the fairness of the EPA's actions. We are not evaluating and will not express an opinion as to whether the Pebble Limited Partnership ultimately should be granted permission to mine the Pebble deposit. And, as was well documented during my years in public service, I have been a strong supporter of the EPA's mandate to protect the environment and keep our nation's waterways safe for human health as well as fish and wildlife," Cohen explained. He said he has taken steps to ensure the review is thorough and unbiased. "A condition of accepting this assignment is that I have complete independence and discretion as to how this work will be conducted. I will follow the evidence wherever it might lead, and I will conduct this independent review as fairly and thoroughly as possible.

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### EXPLORATION

# Fighting headwinds

Alaska mineral explorers work to retain their footing on slippery slope

By SHANE LASLEY

Mining News

Slipping metals prices and investors' ongoing reluctance to risk venture capital in the junior mining sector is hitting Alaska's mineral exploration sector hard; and the Far North state is not the only mining jurisdiction reeling from this one-two punch.

"After another year of strong headwinds in 2014, and with lower demand and overproduction continuing to depress metals prices, the mining industry's outlook for 2015 is unpromising at best," SNL Metals & Mining wrote recently in "World Exploration Trends," its annual report.

According to the research firm's estimates, global mineral exploration spending during 2014 totaled US\$10.7 billion, about half of the US\$20.5 billion in comparable expenditures tallied just two years earlier, and SNL does not foresee the sector recovering any time soon.

"Most metals prices are expected to fall further in 2015, albeit perhaps not by as much as over the past two years. As a result, SNL does not expect a rebound in the industry's total exploration budgets in the near-to-medium term," the research firm predicts.

Magnified by the Donlin Gold project transitioning from permitting to development and the lack of funding at the contentious Pebble project, the drop in Alaska's mineral exploration sector has been steeper than the global average. Since reaching an apex of US\$365 million in 2011, exploration spending in the state fell to US\$175 million by 2013 and last year tumbled another 47 percent to



MILLROCK RESOURCES INC.

A First Quantum Minerals geologist pauses alongside a copper-stained outcrop during an initial US\$600,000 exploration program completed at Millrock Resources Inc.'s Alaska Peninsula project in 2014. This year, First Quantum and Millrock plan to complete roughly 2,400 meters of drilling at three of the most advanced prospects on the project.

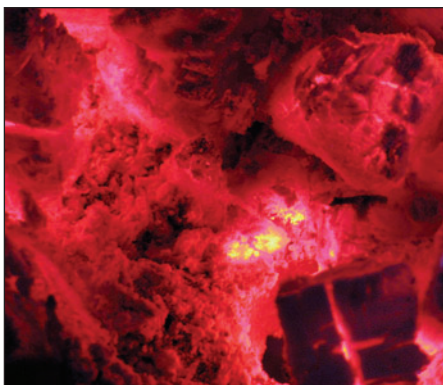
about US\$92 million.

Though money still needs to be raised, exploration plans ironed out and budgets finalized, Alaska's mineral exploration sector is attempting to hold its footing in 2015 on the slippery downward slope of world exploration trends.

### Major exploration

The owners of Alaska's five large mines accounted for nearly half the exploration spending

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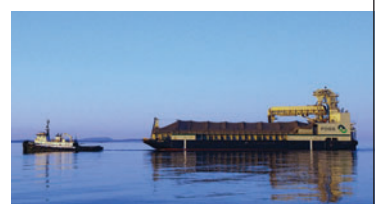
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