



NEWS NUGGETS

Compiled by Shane Lasley

Donlin Gold permitting sticks to timetable

Novagold Resources Inc. Oct. 6 reported that the U.S. Army Corps of Engineers plans to publish the Donlin Gold draft Environmental Impacts Statement for public comment near year's end. Donlin Gold LLC, the operating company equally owned by subsidiaries of Novagold and Barrick Gold Corp., advanced a number of other major permit applications, including working toward finalizing an air quality permit; completing approaches to water management, treatment, and discharge to facilitate the issuing of water discharge and use permits; reaching an agreement with Calista Corp. and The Kuskokwim Corp., the Alaska Native landowners, on relocating existing trails that cross the project site; advancing the rights-of-way and lease applications for the gas pipeline; and finalizing plans for the Clean Water Act Section 404 permitting process. Novagold also continues to advance with partner and Teck Resources Ltd. the Galore Creek copper-gold project in northern British Columbia at a measured pace. "We are satisfied to maintain our interest in Galore Creek at minimal spend and until such time that market conditions become more favorable for valuable polymetallic deposits such as this project," said Novagold President and CEO Greg Lang. Novagold's third-quarter loss from operations decreased from US\$10.8 million in 2014 to US\$6.6 million in 2015. Its share of losses at Donlin Gold decreased by US\$2.6 million, as 2015 activities continued to focus on permitting. At Galore Creek, the company's share of losses was more than offset by a US\$600,000 gain on the sale of surplus equipment. General and administrative expenses were lower due to favorable foreign exchange translation of expenses incurred in Canadian dollars. With roughly US\$130 million in cash and term deposits as of Aug. 31, Novagold believes it has sufficient capital to cover its expenses through to the completion of permitting the Donlin Gold project.

Chuitna coalition granted water reservations

The water resources section of the Alaska Division of Mining, Land & Water Oct. 7 published its decision on the Chuitna Citizens Coalition Inc.'s reservation of water applica-

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PEBBLE

Too hefty for run-around

Cohen report finds EPA efforts to stop Pebble unfair, potentially illegal

By SHANE LASLEY

Mining News

A Washington, D.C. think tank has weighed in on the question of whether the U.S. Environmental Protection Agency erred in conducting an assessment of large-scale mining in the Bristol Bay region of Alaska before such a project was even proposed, let alone engaged in the federal permitting process.

EPA published its findings in a "Bristol Bay Assessment" and decided to place limits on development of the enormous and contentious Pebble copper-gold-molybdenum project in Southwest Alaska.

William Cohen, former U.S. Secretary of Defense, U.S. senator and founder of The Cohen Group, says the decision whether or not to develop Pebble is too hefty to circumvent the environmental permitting process established to make such judgments.

At the behest of Pebble's would-be developer, the Pebble Limited Partnership, Cohen investigated the fairness of the EPA's recent "assessment," and concluded that the nation's well-established permitting process under the National Environmental Policy Act is the appropriate mechanism for judging a project such as Pebble.

Instead of using this federal process, EPA chose to conduct a separate assessment of the potential impact of large-scale mining on the Bristol Bay region where Pebble is located. The agency then decided to use Section 404(c) of the Clean Water Act to pre-emptively ban or restrict permits for developing the world-class copper-gold-molybdenum deposit.

"The decision about whether to build a mine in this area, as well as the process used to make such a decision, is very important to Alaska's environ-

ment, economy, people, fish and wildlife. It requires regulatory authority to be exercised in the fairest way possible. After a very thorough review, I do not believe EPA used the fairest and most appropriate process," Cohen inked in an executive summary of his report published on Oct. 6.

Anti-Pebble groups, however, question the credibility of the Cohen investigation, given that it was paid for by the Pebble Partnership.

"Pebble Limited Partnership has once again chosen to spend its money on costly lawsuits and high-paid Washington, D.C. insiders instead of following through on more than a decade of promises made to the people of Bristol Bay to apply for permits," said Nelli Williams, director of Trout Unlimited, Alaska program.

Cohen, himself, echoed Williams' concerns when he took the job early in 2015.

"A condition of accepting this assignment is that I have complete independence and discretion as to how this work will be conducted," he said at the time.

"I will follow the evidence wherever it might lead, and I will conduct this independent review as fairly and thoroughly as possible. Any conclusions that I draw from this review will be based upon the facts that I find and my judgment based on years of experience in government," Cohen vowed.

Serious concerns

During the course of his investigation, Cohen and his team poured over thousands of documents and interviewed more than 60 people, including three former EPA administrators and several former senior EPA officials.

EPA, however, declined the former senator's requests to interview current employees of the regulatory agency.

"The statements and actions of EPA personnel observed during this review raise serious concerns as to whether EPA orchestrated the process to

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TOM COLLIER

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