



## NEWS NUGGETS

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Over the course of two decades, Northern Dynasty has outlined a world class deposit at Pebble with 56.8 billion pounds copper, 70.4 million ounces gold, 3.4 billion lbs molybdenum and 343.6 million oz silver in measured and indicated resource.

### Pebble, EPA extend negotiations

Northern Dynasty Minerals Ltd. May 20 reported the Pebble Limited Partnership and the U.S. Environmental Protection Agency have filed a joint motion in federal court to extend a stay of proceedings to May 4 in ongoing litigation under the Federal Advisory Committee Act. In 2014, the Pebble Partnership had filed a suit, alleging EPA violated FACA by working inappropriately close to anti-Pebble groups as the regulatory agency built a case for placing restrictions on yet to be applied for permits for the development of a mine at the Pebble copper-gold-molybdenum deposit in Southwest Alaska. With the trial nearing its end, by October it had become apparent EPA and Pebble Partnership would likely reach an agreement that would settle this suit outside of the courtroom. To provide the parties time to negotiate, the court issued a stay of proceedings in this case until March 20. The latest motion extends this stay until May 4, providing the parties additional time to reach a settlement outside the courtroom. Pebble Partnership says it has made substantial progress in recent discussions with the EPA and intends to continue negotiating the matter directly, rather than through mediation. Northern Dynasty said government representatives are actively engaged in these discussions. In February, U.S. House Science, Space, and Technology Committee Chairman Lamar Smith, R-Texas, sent a letter to EPA Administrator Scott Pruitt asking him to rescind the 2014 decision to pre-emptively use Section 404(c) of the Clean Water Act to limit the scope of any potential mine developed at Pebble. "Active discussions between all parties involved have been positive and very constructive," said Pebble Partnership CEO Tom Collier. "We remain confident in achieving a prompt and fair resolution that follows the rule of law, supports the interests of the parties involved and allows the Pebble project to move into a normal course permitting process." In the meantime, a 2014 preliminary injunction ordering EPA to halt efforts to finalize the implementation of its plans to pre-emptively restrict Pebble permits remains in effect for the duration of the court ordered stay.



TRILGY METALS INC.

Arctic, situated in the mountains about 16 miles north over the Upper Kobuk Mineral Projects camp at Bornite, is slated to be the first of the high-grade deposits in the Ambler mining district to be developed into a mine.

### EXPLORATION

# Path to Arctic Mine

Trilogy to complete pre-feasibility; Ambler Road permitting makes headway

By SHANE LASLEY  
Mining News

The path to discovering the viability of developing a mine at Arctic and the road needed to deliver the copper, zinc, lead, gold and silver from this exceptionally high-grade Northwest Alaska deposit to world markets are both making headway in 2017.

Arctic is the most advanced of the high-grade deposits that make up the Upper Kobuk Mineral Projects, an extensive land package that unites Trilogy Metals Inc.'s state mining claims that blanket a 70-mile- (110 kilometer) long belt of high-grade copper-lead-zinc-gold-silver deposits across the Ambler mining district with an adjacent package of NANA Regional Corp.-owned lands known for hosting exceptionally high-grade copper.

Trilogy is the operator of UKMP, and Alaska Native Regional Corporation NANA represents the Inupiaq people of Northwest Alaska and holds an option to be a 16 to 25 percent equity partner in the project or receive 15 percent net proceeds royalty from any mines developed on the 353,000-acre land package.

Arctic – a high-grade volcanogenic massive sulfide deposit on Trilogy Mining claims that encompasses some 1.65 billion pounds of copper, 2.62 billion lb of zinc, 444 million lb of lead, 610,000 ounces of gold and 45.3 million oz of silver in the inferred and indicated resource categories – will likely be the site of the first such mine.

Bornite, a world-class deposit on NANA lands about 16 miles south of Arctic, encompasses 40.5 million metric tons of in-pit indicated resources averaging 1.02 percent (913 million pounds) copper; and 84.1 million metric tons of inferred resources averaging 0.95 percent (1.8 billion lbs.) copper. Additionally, this UKMP deposit likely to be developed second, is estimated to contain 57.8 million metric tons of below-pit inferred resources averaging 2.89 percent (3.7 billion lbs.) copper.



RICK VAN NIEUWENHUYSE

### Getting ready for permitting a priority

Already a world-class copper deposit in terms of size and grade, the various zones of Bornite are open to expansion in several directions.

While expanding Bornite is a compelling target for a junior mining company with the exploration expertise of Trilogy, getting Arctic ready for permitting is a top priority.

To this end, Trilogy has budgeted US\$7.1 million for a 2017 work program focused on finalizing a pre-feasibility study that will outline the engineering and financial parameters of developing Arctic as the first UKMP mine.

"The PFS will demonstrate the true value of the high-grade Arctic deposit which we expect will be the first in a series of potential mines in the Ambler mining district," explained Trilogy Metals President and CEO Rick Van Nieuwenhuysse.

### Arctic feasibility

In 2013, Trilogy (then NovaCopper) completed a preliminary economic assessment that provided a first glimpse of what an open-pit mine at Arctic might look like.

This scoping level study outlined a 10,000-metric-ton-per-day mill at Arctic that is anticipated to produce roughly 1.5 billion lbs of copper, 1.8 billion lbs of zinc, 289 million lbs of lead, 30.5 million oz of silver and 349,000 oz of gold over a 12-year mine-life.

At the time, the cost to build such a mine was estimated to be US\$717.7 million. Another US\$164.4 million in sustaining capital and US\$81.6 million in closing costs also were anticipated.

The mine outlined in the 2013 PEA was based on 23.85 million metric tons of indicated resource averaging 3.26 percent (1.71 billion lbs) copper, 4.45 percent (2.34 billion lbs) zinc, 0.76 percent (400 million lbs) lead, 0.71 grams per metric ton (550,000 oz) gold, and 53.2 g/t (40.8 million oz) silver.

Additionally, Arctic hosted 3.63 million metric tons inferred resource averaging 3.22 percent (239 million lbs) copper, 3.84 percent (285 million lbs) zinc, 0.58 percent (43.2 million lbs) lead, 0.59 g/t