



NEWS NUGGETS

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Millrock's Stellar property, which covers the Zackly copper-gold skarn deposit and a number of porphyry copper-gold prospects, lies immediately northeast of Caribou Dome, a property where high-grade copper mineralization has been identified along its 11-mile length.

Stellar deal to unite high-grade copper projects in SC Alaska

Millrock Resources Inc. May 24 announced a deal that will ultimately move the Stellar copper-gold project into Polaris Minerals Ltd, a new exploration company that will own two high-grade copper projects in Alaska. To complete this deal, Millrock has agreed to sell Stellar to Vista Minerals Pty Ltd. in exchange for 25.14 million Vista shares, or 27.7 percent of the Australia-based explorer. A 2015 agreement under which Vista Minerals was earning an 80 percent interest in Stellar has been terminated. Instead, Vista and Millrock have entered into an agreement with Coventry Resources Ltd., another Australia-based explorer that owns an option on Caribou Dome, a high-grade copper property adjacent to Stellar. Together, these two Southcentral Alaska properties blanket roughly 22 miles of strike that covers a number of high-grade copper and gold deposits and prospects, including the Zackly and Caribou Dome deposits. Under the second agreement, Vista shareholders, including Millrock, will exchange their Vista shares for Coventry shares. Coventry has indicated its intent to, in the same transaction, raise AU\$10 million and consolidate its shares on a 1-for-5 basis. Following the successful completion of this transaction, Coventry will be renamed Polaris Minerals Ltd. Millrock must agree with the terms of the equity financing that Coventry is planning to undertake, and can withdraw if the terms are not satisfactory. As a result of the transaction, Millrock would own roughly 25.65 million post-consolidation shares of Polaris. If Polaris succeeds in completing the AU\$10 million equity financing, Millrock would own about 9 percent of the renamed copper explorer. Under the agreement, Millrock will also receive US\$1 million from Polaris if an indicated mineral resource of 1 million ounces of gold is established at Stellar before the end of 2032; and, if Polaris establishes an indicated resource with one million metric tons of contained copper or copper-equivalent at Stellar, the company will pay Millrock US\$2 million. Millrock will also retain a 1 percent net smelter return royalty on all metals at Stellar. Polaris has agreed to make annual advanced royalty payments to Millrock that start at US\$20,000 in 2019 and incrementally increase to US\$60,000 per year in 2027. Millrock will be the operator of the exploration at Stellar and will receive a management fee equal to 10 percent of expenditures. The Stellar property covers the Zackly copper-gold skarn deposit and surrounding lands considered prospective for porphyry copper-gold deposits. A historical resource of 218,944 oz of gold and 66.9 million lb of copper contained in a deposit of 1.13 million metric tons grading 6.03 grams-per-metric-ton gold and 2.69 percent copper has been calculated for the 1,000-meter-long Zackly deposit, and the skarn mineralization occurs over a strike length of more than 3,000 meters. Millrock and

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PEBBLE LIMITED PARTNERSHIP



The exploration phase at Pebble offered jobs close to the homes of many Bristol Bay residents. The newly formed Pebble advisory committee will have the opportunity to consider ideas to maximize Pebble's economic benefits to Southwest Alaska if a mine is developed at this enormous copper-gold project in the future.

EXPLORATION & DEVELOPMENT

Pebble advisory panel

Respected, outspoken Native, conservation, military leaders join group

By SHANE LASLEY
Mining News

Now that the Pebble Partnership has settled its dispute with the U.S. Environmental Protection Agency, the company is focusing its attention on readying the world-class Pebble copper-gold-molybdenum project for permitting. The first move towards attaining this goal was to assemble an advisory committee that will provide valuable insights from a broad range of perspectives, including those that voiced concerns about building a large mine in the Bristol Bay region of Southwest Alaska where Pebble is located.

"In our view, this is the ideal time to expand our engagement with external parties to ensure the project we take into permitting, and the various environmental safeguards and partnership programs we build around that project, are as robust and responsive to stakeholder needs as they can be," said Pebble Partnership CEO Tom Collier.

Not looking to build a panel of consenting voices, the Pebble Partnership recruited respected and outspoken Alaska Native, environmental conservation and former military leaders as founding members of the committee.

"We don't want any shrinking violets on our panel," Collier told Mining News.

Pebble critic joins

Kim Williams, the former executive director of Nunamta Aulukestai and an outspoken critic of developing a mine at Pebble, has been the most talked about appointment to the panel.

The sharpest criticism of Williams' decision to accept a seat on the Pebble advisory committee has come from Nunamta Aulukestai, the Pebble oppo-



TOM COLLIER



WILLIE HENSLEY

sition group she led for seven years.

Nunamta and Williams parted ways in early May, immediately after the Bristol Bay area advocacy group found out that she had accepted an offer to sit on the Pebble advisory committee.

Nunamta and other conservation groups see the formation of the advisory committee, and Williams' appointment to it, as a way for the Pebble Partnership to buy influence by paying opposition to sit on such a panel.

"It's a very tried and true practice of large extraction companies to offer money to potential or actual opponents in hopes it softens the opposition or contributes to a building of the relationship," Joel Reynolds, a director and senior attorney with the Natural Resources Defense Council told Alaska Dispatch News.

It is true that the Pebble Partnership has offered a US\$30,000 per year stipend as a professional courtesy to compensate any committee members for their time, as well as the travel and other expenses that will be incurred for required meetings and other obligations of the panel. Members, however, are not obligated to accept these funds.

Williams, who remains steadfast in her stance on Pebble, has declined the honorarium.

Reynolds told ADN that he turned down an offer to sit on the Pebble advisory committee.

Good company

Williams—who is widely recognized for her strong conviction, strategic mind and unwavering opposition to Pebble—has good company on the Pebble advisory committee.

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