



**page 8** Newmont, Goldstrike drill high-grade Bonanza gold zone, YU



## NEWS NUGGETS

Compiled by Shane Lasley



COEUR MINING INC.

Kensington gold production is down during the first half of 2017 due to lower grades due to mine sequencing. Production is expected to climb significantly during the second half of the year.

### Kensington gold output flat

Coeur Mining Inc. July 6 reported steady gold production at its Kensington Mine in Southeast Alaska. During the second quarter, Kensington produce 26,424 ounces of gold, nearly identical to first quarter production and 18 percent less than the second quarter of 2016. This dip in production compared to last year is primarily due to anticipated lower ore grades due to mine sequencing. The average grade of material processed at Kensington during the second quarter was 0.17 ounces per ton gold. This compares to 0.17 oz/t gold in the first quarter and 0.22 oz/t during the said quarter of last year. Coeur said it anticipated the slump in gold production as the operation processed lower grade ore during the first half of 2017. The company expects these grades to increase for the balance of 2017. Despite only producing 52,621 oz of gold through the first half of 2017, Coeur continues to anticipate the underground mine to produce 120,000 to 125,000 oz of gold in 2017, meaning the operation would produce roughly 70,000 oz of gold over the balance of the year. Development of Jualin, a higher grade deposit at Kensington, remains on pace for initial production later this year. Coeur's five operations in the United States, Mexico and Bolivia produced 4 million oz of silver and 82,819 oz of gold, or 8.9 million silver-equivalent oz during the first quarter.

### Millrock, Kinross eye Tetlin-style skarns at Liberty Bell

Millrock Resources Inc. July 6 announced the start of a sampling and prospecting program at its Liberty Bell gold project in the Bonfield Mining District of Interior Alaska. In March, Kinross Gold Corp. entered into an option agreement with Millrock on Liberty Bell. To earn a 70 percent joint venture interest in the property, Kinross must fund US\$5 million of exploration and maintenance costs over five years; pay up to US\$145,000 in fees for any project management carried out by Millrock; and pay advanced royalty payments of US\$145,000 over the five-year earn-in period. Millrock will act as the exploration operator for the 2017 program at Liberty Bell. This initial program will consist of 16 sampling days with ten soil samplers and geologists collecting a planned 5,000 soil samples to characterize the surface geochemistry. These geologists will also be completing mapping and prospecting while they are in the field. A small gold deposit at Liberty Bell has striking geological similarities to the high-grade Peak zone skarn deposits being advanced by a partnership between Royal Gold and Contango Ore on their Tetlin property near Tok. The exploration at Liberty Bell is targeting distal skarn gold deposits and possibly porphyry copper-gold deposits. ●

PEBBLE LIMITED PARTNERSHIP



Workers hike back to camp after completing field work at the Pebble project in 2011. Many of the jobs at Pebble during the exploration phase were filled by local Bristol Bay residents, providing an important economic boost to the villages near the world-class copper deposit.

## PEBBLE

# Pebble unencumbered

EPA launches process to undo Obama-era limits on mine development permits

By SHANE LASLEY

Mining News

The U.S. Environmental Protection Agency has set in motion plans to completely do away with the pre-permitting restrictions it attempted to impose against Pebble in 2014.

If fully implemented, these Obama-era Clean Water Act restrictions would have seriously reduced the size of any mine that could have developed at the world-class Pebble copper-gold-molybdenum deposit in the Bristol Bay region of Southwest Alaska.

A federal judge ordered a stay on the implementation of EPA's proposed determination to restrict Pebble permits before they could go into effect and earlier this year EPA agreed to allow the Pebble Limited Partnership to enter the permitting process unencumbered by the predetermined restrictions.

EPA's underlying CWA Section 404(c) determination, however, remained in place and posed potential complications if the U.S. Army Corps of Engineers decided to issue permits for Pebble. On July 10, EPA proposed doing away with its controversial and unprecedented CWA Section 404(c) determination altogether and initiated a 90-day public comment period that puts this proposal in motion.

The environmental regulator said it "believes that withdrawing the proposed determination now, while allowing the factual record regarding any forthcoming permit application to develop, is appropriate at this time for this particular matter."

"The federal agency's proposal to formally withdraw its proposed determination further clarifies PLP's right to proceed into normal course per-

mitting unencumbered by any extraordinary development restrictions, and complies with EPA's legal obligations under the settlement agreement," said Pebble Partnership CEO Tom Collier.

### Eliminating a power play

While of vital importance to the Pebble Partnership, the lifting of EPA's CWA restrictions on permits to develop Pebble also eliminates a precedent that is viewed by many as a power play that had the potential to change the way the federal regulator assessed project development in the United States.

In 2015, Collier informed the U.S. House Science Committee the at least part of EPA's overarching intent in pre-emptively stopping the Pebble Mine is to set a precedent that would allow the agency to decide where industrial development could and could not take place in the U.S.

"They want to be able to zone the watersheds of America," Collier summarized.

EPA's internal discussions support this assertion.

In 2010, while tossing around the idea of taking pre-emptive 404 (c) action against Pebble, upper level EPA management said that a successful pre-emptive veto of the Pebble permits would "serve as a model of proactive watershed planning" in the United States and listed this assertion in the pro column of a matrix evaluating the potential of taking a pro-active stance at Pebble.

The House Science Committee, which uncovered this document in its own 2014 investigation into EPA's effort to restrict Pebble prior to permitting, had already reached a similar conclusion.

In a February letter, the committee urged newly appointed EPA Administrator Scott Pruitt to overturn the potentially precedent setting determination that was based on "a questionable scientific



TOM COLLIER