US Army Corps of Engineers

Donlin Gold Project **EIS**

Newsletter #2 • Summer 2013

Scoping Results

This is the second in a series of US Army Corps of Engineers newsletters about the Donlin Gold Project Environmental Impact Statement. The Corps mails these newsletters to federal, state, and local agencies; elected and appointed officials; Alaska Native tribes and corporations; other interested organizations; and individual citizens, to inform people about the EIS, and to ask for participation in the process.

For all EIS newsletters, or more information, visit the EIS website: www.DonlinGoldEIS.com

Scoping Period Complete

The US Army Corps of Engineers (Corps) is preparing an Environmental Impact Statement (EIS) to analyze the impacts of issuing permits for an open pit, hardrock gold mine. The Donlin Gold Project would be located 10 miles north of the village of Crooked Creek, Alaska.

This newsletter summarizes what the Corps heard during the scoping meetings held in January through March 2013, and explains the next steps in the EIS process.

What Is Scoping?

Scoping is a formal process where the Corps reaches out to interested parties early in the development of the EIS to identify areas of concern that should be fully addressed in the EIS. The scoping process for the Donlin Gold Project EIS provided opportunities for people who could be affected by the proposed action to express their views and concerns, and to offer suggestions, including alternatives to consider in the EIS.

"If something goes wrong, it will highly impact us... I want to be able to see subsistence hunting and gathering as I'm growing older, and would want my future children and grand-children to do so as well."

-Akiak Scoping Meeting

Nunapitchuk, January 30, 2013

What Happened During Scoping?

An important part of scoping was holding public meetings. The project area includes 66 Tribes and other communities. It was not feasible to visit every affected community. In an effort to reach the entire region, and to provide many opportunities for as many communities as possible to participate, the Corps and cooperating agencies held a series of public meetings in 11 Association of Village Council Presidents subregion communities, 2 Tanana Chiefs Conference subregions, as well as the Municipality of Anchorage.

EIS Public Scoping Meetings

Bethel	January 14	Hooper Bay	February 26
Aniak	January 15	Toksook Bay	February 27
Crooked Creek	January 16	Quinhagak	February 28
Anchorage	January 22	Saint Mary's	March 13
Nunapitchuk	January 30	Emmonak	March 14
Akiak	January 31	Holy Cross	March 20
McGrath	February 15	Kipnuk	March 22


Yupik Translator Lillian Michael

What Did People Say?

In December 2012, the Corps advertised and sent newsletters to about 1,000 stakeholders and 7,500 mailboxes in the Y-K region. The Corps received 297 letters, emails, and verbal statements from almost 500 attendees at scoping meetings. Out of 2,763 comments, there were 41 broad topics covered. The issues summarized below represent some of the public concern:

Barge Traffic

People expressed concern about the effects of the proposed levels of barge traffic on the Kuskokwim, including:

- volume of traffic
- accidents & spill risk
- riverbank erosion
- water levels
- volume of fuel used and transported
- displacement of subsistence & commercial fishing

Subsistence Traditions

Many people said they want to protect their subsistence way of life and that the rapid change caused by mine development could make this more challenging. Concerns include:

- reduction of animal populations
- less access to subsistence foods
- contamination of subsistence resources
- increased competition for subsistence resources

Mercury

People expressed concern about the effects of mercury and other hazardous materials for fish, animal, and human health.

Comments were about:

- contamination from emissions & tailings
- disturbing mercury in Central Kuskokwim rock
- contamination from past mining (Red Devil Mine)
- assessments, handling & disposal

"Where will the water used at the minesite come from? … What steps will be taken … to prevent acid mine drainage and leaching of toxic heavy metals into nearby streams and rivers? And what are the risks to the area's fish and wildlife values if water treatment measures fail or simply don't work?"

-Alaska Professional Hunters

Major Project Components

as proposed by Donlin Gold, LLC

Mine Site

- Open pit
- Waste treatment facility
- Waste rock facility
- Natural gas-fueled power plant

Transportation Infrastructure

- Bethel Port upgrades
- New barge landing near Jungjuk Creek
- 30-mile road
- 5,000-foot airstrip

Pipeline

- 313-mile, 14-inch diameter, buried natural gas pipeline

For more information, see newsletter insert and visit:
www.DonlinGoldEIS.com

Water
People commented on the ways that mine construction and operation could affect the area's water. Concerns include:
- spills of chemicals during transport
- impacts on streams & groundwater
- where waterborne pollutants would go
- amount of water used by mine & amount needed by villages
- contamination from acid rock drainage, & mine runoff

Fish
Commenters spoke about concerns including:
- damage to salmon habitat
- contribution to declining salmon runs
- effects of barge traffic on salmon & other fish
- contamination from mining chemicals & spills
- pipeline stream crossings blocking fish passage

Wildlife and Birds
The wildlife concerns expressed by commenters include:

"I am worried about the [emissions] fallout, what's it going to do to our vegetation, our animals, and how it's going to affect our subsistence way of life, not to only us, but for generations to come."

-St. Mary's Scoping Meeting

- general health and abundance of wildlife, migratory birds, waterfowl & shorebirds
- nest disturbance & removal
- birds being attracted to tailings pond
- abundance, distribution, & migratory patterns
- project components or spills causing animals to die or leave the area
- effects on marine life, including seals & walrus in Kuskokwim Bay

People and Communities
People said that the proposed project could have both positive and negative effects on life and communities. These include:
- benefits of new jobs, income & cash
- more cash available to fund subsistence activities
- need for education & training for new jobs
- might be harder to maintain traditional practices & languages
- "boom and bust" cycle
- effects on passing traditional values to future generations

Health
In addition to a suggestion to use the Health Impact Assessment in the EIS analysis, we heard about:
- worker safety
- behavioral health
- local communities' public health & infrastructure
- lifestyle changes
- contaminants

Alternatives
Ideas from the public included:
- ways to reduce traffic
- ore processing techniques using less mercury & cyanide
- alternative energy sources to reduce need for diesel
- workforce development techniques
- routing gas pipeline away from lodges and the Iditarod National Historic Trail

"[The project] would create an economic boon in a region of our state that is incredibly economically disadvantaged. This is a region with very high unemployment rates and very few economic opportunities."

-Alaska Miners Association

Monitoring & Mitigation
We heard concerns and ideas that included:
- more baseline research on the Kuskokwim River
- contaminants in the environment & wildlife
- enforcing permit conditions
- bonding to pay for closure & reclamation
- feasibility of on-going water treatment
- best technology for emissions control at the mill
- strong fuel spill prevention & response planning
- slower production to reduce the pace of social impacts

What Happens Next?
The Corps and EIS contractor will write a Draft EIS. Scientists will address issues heard during scoping, and will describe the potential impacts that project construction, operation, closure and post-closure could have on the physical, biological, and social environments.

The Draft EIS will address direct, indirect and long-term cumulative effects, and consider a reasonable range of alternatives consistent with the Corps' legal mandate. The Draft EIS will also analyze a range of mitigation and monitoring measures to protect public health, water quality, wildlife, and subsistence resources.

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Can I Stay Involved?

Yes! The Corps hopes to keep members of the public, Tribes, Alaska Native organizations, local and regional interest groups, the mining industry, and state and federal agencies engaged during the entire EIS process. We welcome questions or input at any time.

Once the Draft EIS is complete (estimated to be in late 2014), the Corps will release it for a 90-day public review period. During the review period, the Corps will conduct public meetings to hear comments on the Draft EIS.

As during scoping, in the Draft EIS review period we will seek input through public testimony, written comments, and electronic comments. Future newsletters will provide information on scheduled public meetings and opportunities to comment, including how to receive a copy of the Draft EIS.

We hope you'll visit the project website for updates and further information.

Contact the Corps

Please don't hesitate to contact the Corps at any time during preparation of this EIS:

Phone & email:

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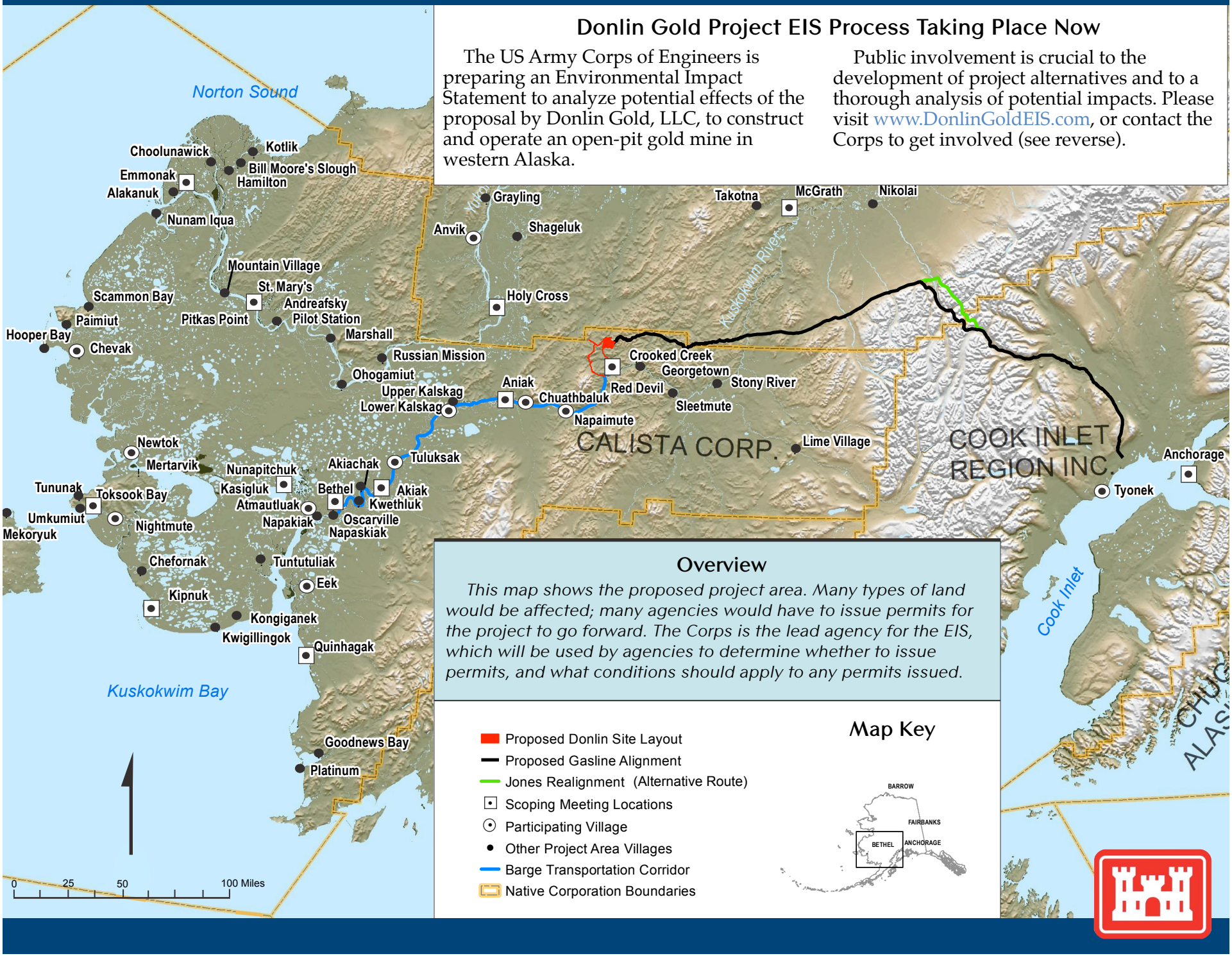
Donlin Gold Project EIS Process Taking Place Now

The US Army Corps of Engineers is preparing an Environmental Impact Statement to analyze potential effects of the proposal by Donlin Gold, LLC, to construct and operate an open-pit gold mine in western Alaska.

Public involvement is crucial to the development of project alternatives and to a thorough analysis of potential impacts. Please visit www.DonlinGoldEIS.com, or contact the Corps to get involved (see reverse).



Overview

This map shows the proposed project area. Many types of land would be affected; many agencies would have to issue permits for the project to go forward. The Corps is the lead agency for the EIS, which will be used by agencies to determine whether to issue permits, and what conditions should apply to any permits issued.

Map Key

- Proposed Donlin Site Layout
- Proposed Gasline Alignment
- Jones Realignment (Alternative Route)
- Scoping Meeting Locations
- Participating Village
- Other Project Area Villages
- Barge Transportation Corridor
- Native Corporation Boundaries

Components of the Proposed Project

There are 3 major components to the proposed project: minesite, transportation infrastructure, and pipeline.

Minesite

The illustration to the right shows major features of the minesite proposed by Donlin Gold, LLC, and currently under study by the Corps and cooperating agencies.

Transportation

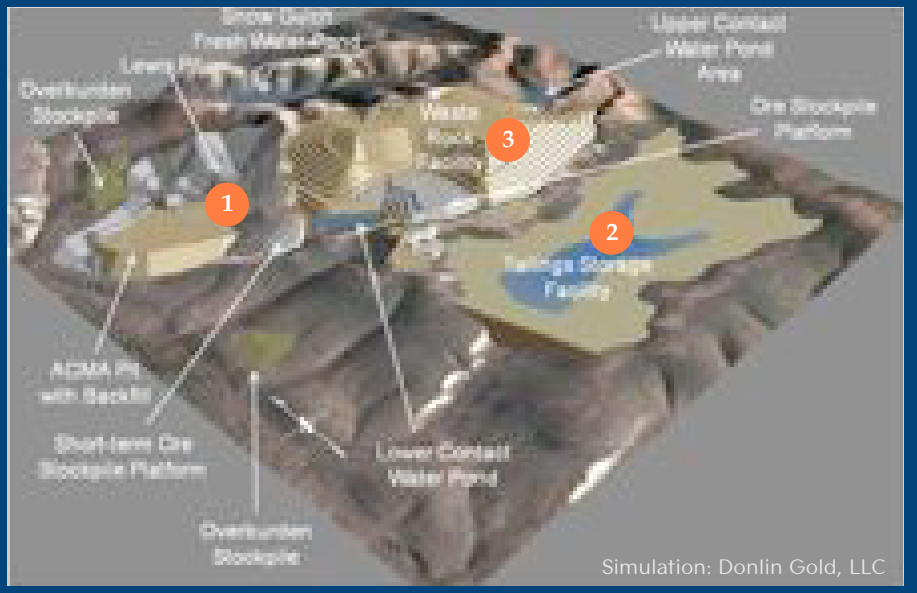
A key piece of transportation infrastructure would be the proposed barge landing near Jungjuk Creek on the Kuskokwim River. The dock area would cover 5 acres. On the river, residents could expect to see 3 barge-trains pass each day of the barge season. Transportation infrastructure would also include:

- Barge terminal facilities in Bethel
- 30-mile road from barge landing to minesite
- 5,000-ft airstrip

Pipeline

The proposed pipeline would be a 313-mile, 14-inch diameter, buried natural gas line running from the west side of Cook Inlet to the minesite.

Proposed Minesite Detail



1. Lewis and ACMA pits, about 2.2 miles long, 1 mile wide, and 1,850 ft deep
2. Waste treatment facility (tailings storage), about 2.5 miles long by 1 mile wide, covering about 2,350 acres
3. Waste rock, covering about 2,300 acres

Proposed Barge Landing Detail

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