The Kinross Ore Transport Proposal

A Proposal to Convert Interior Alaska's Highways into Mining Haul Roads
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What We Know or Don't Know and Why We Need to Be Concerned

Kinross has been and continues to be a significant contributor to the economy of Fairbanks and a major employer in the region. The company is well-respected and as such its future operational plan to develop the *Manh Choh Mines* near Tetlin, Alaska has received some preliminary support. However, to this point it has received neither an in-depth analysis nor a critical review. But it should. The least expensive option is not always the best.

Kinross has publicly announced the development of these mines with its intent to transport 5,000 tons of shot ore per day between Tetlin (25 miles south of Tok, Alaska) and Ft. Knox beginning in 2024. The purpose of this transport plan is to process this ore at its underutilized Fort Knox ball mill located 22 miles north of Fairbanks at the Ft. Knox mine site.

At small public forums held to date, the company has described its intent to haul shot mine rock from Tetlin to Fort Knox by using unspecified commercial trucks operating on the Alcan/Richardson/Steese Highways. Under current laws and regulations by the Alaska Department of Transportation, it is projected this would require the use of long combination vehicles (a nominal 120 foot-in length) hauling double trailers, each combined haul unit weighing ~75 tons. Everyday this will result in 96 trips north (loaded) and 96 trips south (empty) for a total of 192 per day. If you and your family are out for a Sunday drive, an ore hauling truck of this description will be encountered on these highways *every five miles*, summer and winter. Or to look at it a different way, such a hauling combination will pass at any one point along the 248-mile route every 7½ minutes all day every day year around.

These numbers of rolling stock being loaded onto our highways are as impressive as they are dangerous and disruptive.

Reasons for Concern

The ore transportation proposal by Kinross appears to have been made without a formal interagency or public review process. There has been no indication whether the plan to haul raw ore from Tetlin to Fort Knox via these essential highways is the only option available.

To date Kinross has provided sparse detail about its proposal to use the public road system to haul ore. Presentation of a formal transportation plan to DOT and the public would go a long way toward assuring that the public interest and safety of all of us who use these roads has been considered and incorporated into the plan.

It appears Kinross will rely solely on the use of proposals as solicited from private trucking firms from out of state or out of country (Canada) to determine the most cost-effective way to transport ore from the mine to mill. With a high risk of failure of this venture, Kinross stands to harm its reputation.

There are logistical obstacles, including order backlogs for new equipment and, not only a statewide but a national shortage of "Arctic doubles-qualified" CDL truck drivers. Kinross estimates that it needs perhaps 220 qualified drivers. The specialized training and experience required for these drivers simply can't be found. And just common supply and demand theory applied to specialized drivers will alter the prevailing wage scale and affect costs for all surface transportation businesses in Alaska.

Kinross currently plans to use Interior Alaska public highways to transport ore without recognizing the damaging impact persistent heavy haul operations will have on our highway system. The Gerstle River and Johnson River "ALCAN" bridges were built in 1947 and are approaching the end of their functional life. They may not withstand the proposed one hundred-75 ton loads per day. The Chena Hot Springs interchange bridge may not withstand the assault of fifty-ton loads thus requiring a dangerous diversion en-route. The venerable Richardson Highway from Delta Junction to Eielson AFB is already dangerous and subject to high maintenance demands, particularly in the seven months of winter

These decisions are for the generations that follow

The decisions to allow Alaska's public highways to become mining haul roads are decisions having a 50+ year impact on the safety of our roads. The Manh Choh development is anything but a "one and done" six-year project as some have suggested.

Recently on numerous occasions, Kinross has publicly announced their business plan to access the current and prospective gold mines contained within a 300-mile perimeter of Fairbanks and transport the unprocessed ore to the Ft. Knox mill. Convenient proximity to Alaska's highways system is mentioned numerous times as a reason for development for certain gold prospects. (*Reference source: Mining News – North of 60*)

<u>The State of Alaska has both the legal responsibility and the moral obligation to</u> protect Alaska's traveling public

Safety must be the primary goal and the ultimate concern for DOT, Kinross, and the respective trucking companies. The addition of 75-ton, 120' long double trailers driven by inexperienced drivers in all Alaskan weather conditions will unarguably create unsafe conditions. There will be accidents and these accidents will result in injury or death. This risk, and these inevitable results alone, should compel Kinross to investigate and consider alternatives to fulfill ore-processing needs. Even though Kinross has not voiced alternatives to date, they should include:

- Apply to the Alaska Industrial Development and Export Authority (AIDEA) to participate in funding an industrial private road to haul mined resources within Alaska.
- Process on-site at the mine.
- Process on a new site central to the Tintina Gold Belt.
- Provide for some in-place processing to refine the ore and reduce hauling requirements.
- Reduce the impact on existing highways by participating in the expansion of the Alaska Railroad in some manner.
- Participate in the construction and utilization of a gravel bypass road on existing railroad right-of-way's.

The Bottom Line for this Project is Safety

The state of Alaska must work relentlessly and tirelessly at reducing the risk of accident, injury, or death on our common public highways. The Kinross Ore Transport Plan increases the very risk our state government should be minimizing.

The health and safety of all Alaskans who depend on an essential, safe, and robust interior Alaska highway system must not be jeopardized.