

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

April 22, 2024

1:04 p.m.

MEMBERS PRESENT

Representative Tom McKay, Chair
Representative George Rauscher, Vice Chair
Representative Thomas Baker
Representative Kevin McCabe
Representative Dan Saddler
Representative Jennie Armstrong
Representative Donna Mears
Representative Maxine Dibert

MEMBERS ABSENT

Representative Stanley Wright

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

Board of Game

James Baichtal - Thorne Bay
Jake Garner - Ouzinkie

- CONFIRMATION(S) ADVANCED

PRESENTATION(S) : WHISTLER PROJECT

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

JAMES BAICHTAL, Appointee
Board of Game
Thorne Bay, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Game.

JAKE GARNER, Appointee
Board of Game

POSITION STATEMENT: Testified as appointee to the Board of Game.

TIM SMITH, Chief Executive Officer
U.S. GoldMining Inc.
Anchorage, Alaska

POSITION STATEMENT: Gave the Whistler Project presentation.

ACTION NARRATIVE

[1:04:53 PM](#)

CHAIR TOM MCKAY called the House Resources Standing Committee meeting to order at 1:04 p.m. Representatives Baker, McCabe, and Saddler were present at the call to order. Representatives Rauscher, Armstrong, Mears, and Dibert arrived as the meeting was in progress.

CONFIRMATION HEARING(S) :

BOARD OF GAME

[1:05:28 PM](#)

CHAIR MCKAY announced that the first order of business would be the confirmation hearing on the governor's appointees for the Board of Game.

[1:06:43 PM](#)

JAMES BAICHTAL, Appointee, Board of Game, shared some personal and work history. He said that he believes his experience with the reliance of rural communities of food from the forest provides him a grounded perspective to contribute to the Board of Game. He expressed support for science-based wildlife management, the North American Model of Wildlife Conservation, and rural preference for big game in times of scientifically documented shortage, wherein state residents have preference over non-residents to hunt moose, caribou, and deer for food. He acknowledged that a significant portion of the revenue for the Alaska Department of Fish and Game (ADF&G) comes from the non-resident hunting licenses and tags and emphasized the importance of balancing the use of Alaska's resources.

MR. BAICHTAL stated he has volunteered at ADF&G for over 25 years and worked on a graduate research project tracking deer, bear, and grouse, and monitoring the mortality of radio collared individuals. He added that he was the chairperson of the East Prince of Wales Island Advisory Committee from 2000 to 2004 and was involved in the Unit 2 Deer Planning Subcommittee in 2005. He emphasized his dedication to understanding the issues facing wildlife managers and residents with federal subsistence and state game management. He said he is an advocate for Sitka black tail deer, their habitats, and educating others on the species. He added that he has hunted most species available in Alaska and over the last 25 years taken many trips in the Interior.

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MR. BAICHTAL, in response to Representative Saddler, reiterated his belief that state residents have priority for moose, caribou, and deer for food source, and rural preference for big game in times of scientifically documented shortage.

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MR. BAICHTAL, in response to Representative Rauscher regarding whether science can be wrong about the shrinking caribou and moose populations, said that depends on how the studies are designed, adding that he has encountered situations that contradicted what he had learned in the field. He clarified that while a science based approach uses the best science, it is important to understand the science may not be a perfect understanding of the natural systems. In response to a follow-up question about the science and the shrinking populations, he said he would need to look at the projects Representative Rauscher is referencing alongside the oral history of the people who have lived on the lands for a long time.

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MR. BAICHTAL, in response to Representative Mears, shared that he had had two minor game violations. One was a bear bait station being a few feet too close to a navigable road, and the other was a hunt with an outfitter for caribou that was a few days after the season had closed. He said he turned himself in, worked with the troopers to disperse the meat to charities, and received a misdemeanor in Aniak. He added that the reason he and the people he was hunting with had assumed the season was open was because the regulations had been changed that year

shortening the season by 5 days. He no longer takes anybody's word regarding regulations and checks them himself.

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MR. BAICHTAL, in response to Representative Baker, emphasized the difficulty of estimating the population of animals and referenced the deer population in Southeast Alaska being estimated by cards that are turned in and surveys done by the State of Alaska. He said it is all based on who reports, and that he is not in favor of mandatory reporting due to the challenges in rural communities to be able to quickly report. He remarked that populations counted by air are difficult due to the tree cover as compared to treeless environments such as Northwest Alaska. He stated that he does not know what the answer is but would be interested in getting local communities and game advisory boards to create community gathered reporting data. He said the East Prince of Wales Island Advisory Committee met every two months unless there were federal subsistence or state game proposals that came out, in which case a meeting would be held after review of the proposals. He added that he was the representative for the three communities on the Prince of Wales Island in Federal Subsistence Board and Board of Game hearings.

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MR. BAICHTAL, in response to Representative Saddler, shared that his stance on predator control is that it is a tool. He emphasized his hope that before any intense predator control was implemented, there would be sufficient research and community input taken into consideration. In response to a follow-up question, he said he did not follow any of the board's decisions closely, thus he could not think of any disagreements he may have with them.

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JAKE GARNER, Appointee, offered his background and hunting experience. He noted that he is the Vice President of Ouzinkie Native Corporation and is a shareholder of both Afognak and Ouzinkie Native Corporations. He related that his experience growing up in a rural community that relied on subsistence hunting and now living in Anchorage provides him a unique perspective to look at "both worlds" and balance the urban and rural hunting perspectives. He expressed his goal for a

position on the Board of Game is to protect Alaska's wildlife for current and future generations.

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MR. GARNER, in response to Chair McKay, opined he would bring an analytical thinking style to the Board of Game and stated rural preference is very important to him as he has family that rely on rural subsistence hunting and gathering. He encourages a balance between Native and rural preference and expects it to be an issue on which the [Board of Game] will concentrate.

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MR. GARNER, in response to Representative Saddler as to whether he thought there should be Native preference in times of shortage, said he would need information on the shortage, the area, and the situation but was hesitant to think a broad Native preference would be correct. He explained that in many rural communities the population was not solely Native, and it would cause division to have some individuals unable to harvest. He believed that in a situation like such the harvest would be shared due to the culture of rural Alaska.

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MR. GARNER, in response to a return to a topic by Representative Baker, stated his belief that local knowledge is important and encouraged connecting rural communities with Internet access and pushing for more accurate reporting. He also added that having a program for community harvest reporting would provide more accurate data.

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MR. GARNER, in response to Representative Saddler, said he considered predator control an option, specifically by increasing the availability of harvesting predators, but he strongly encouraged local input and to not use predator control as a "knee-jerk" response to problems.

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CHAIR MCKAY thanked Mr. Baichtal and Mr. Garner for volunteering for the Board of Game.

[1:34:08 PM](#)

The committee took an at-ease from 1:34 p.m. to 1:36 p.m. to sign the paperwork [pertaining to the forwarding of the appointees James Baichtal and Jake Garner, Board of Game, to a joint session for consideration. Signing the report regarding appointments to boards and commissions in no way reflects an individual member's approval or disapproval of the appointee; the nomination is merely forwarded to the full legislature for confirmation or rejection.]

PRESENTATION(S): WHISTLER PROJECT

[1:36:37 PM](#)

CHAIR MCKAY announced that the final order of business would be the Whistler Project presentation.

[1:37:00 PM](#)

TIM SMITH, Chief Executive Officer, U.S. GoldMining Inc., gave a brief history of the company and a disclaimer, as shown on the PowerPoint [hard copy included in committee packet]. He began discussion on the Whistler Exploration Project, on slide 3, and noted that the project is, by value, 70 percent gold and 30 percent copper, with a small amount of silver as well and is the closest large undeveloped gold-copper deposit to Anchorage, Alaska. He presented the bullet points on slide 3, which read as follows [original punctuation provided]:

Three gold-rich porphyry deposits
Combined 3.0 Moz AuEq Indicated + 6.4Moz AuEq Inferred
Fully permitted for exploration, drilling commenced
2023
100% owned 53,700-acre property on State land
00 miles northwest of Alaska's largest city Anchorage
State led "Roads to Resources" program to unlock
mineral potential in district
High-grade core provides optionality

[1:43:25 PM](#)

MR. SMITH diverted from the presentation slides and displayed a "virtual tour" of the Southcentral region of Alaska highlighting the proposed West Susitna Access Road and the Whistler property. He stated that the West Susitna Access Road is designed by the Alaska Department of Transportation & Public Facilities (DOT&PF) and the Alaska Industrial Development and Export Authority

(AIDEA) and would provide direct access between the Whistler Project and Port Mackenzie. He displayed a map of the Whistler property that marked the border of the 377 consecutive mining claims and the Whistler, Raintree, and Island Mountain mineral deposit locations. He added that the company Nova Minerals is exploring the Estelle Project to the west of the Whistler Project and zoomed into additional markings for exploration targets that had not received enough drilling to create mineral estimates but would be explored further for the possibility of more mineral tonnage. He emphasized the amenability of the terrain to exploration, potential mining, and building of infrastructure. He stated that the current infrastructure is the Whiskey Bravo airstrip, which U.S. GoldMining Inc. uses, and a winter road that Nova Minerals uses. He repeated his emphasis on the how the Proposed West Susitna Access Road would improve access to the Whistler Project. He transitioned to a photosphere of the Whistler deposit site and mineralized gold and copper and remarked how easy it would be to build mining infrastructure due to the terrain. He redisplayed the map of the Whistler Project and said that U.S. GoldMining Inc. is only operating during the summer for exploration but expects to be able to mine year round.

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MR. SMITH zoomed in towards the Whistler deposit and showed a view from underground displaying all the amount of trace gold and copper from historic exploration drilling in the area. He refuted the claims that there are no resources at the end of the [proposed] West Susitna Access Road, stating that there are seventy thousand meters of drilling completed by five companies. He displayed a three dimensional estimate of gold equivalent of the Whistler and Raintree deposit, showing three large masses of minerals.

MR. SMITH continued with the presentation on slide 5, "Whistler Project Mineral Resource Estimate," and explained that the Whistler Project is a porphyry, bulk tonnage, low grade deposit. He stated that by the U.S. Securities and Exchange Commission (SEC) and Canadian 43-101 rules he is not allowed to add together the indicated and inferred estimates, but claimed there are almost 120 million tons in the indicated category and almost 320 million tons in the inferred category. He drew attention to the mineral resources in the West Susitna Region and provided the history of exploration in West Susitna.

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MR. SMITH responded to committee questions. He confirmed the areas of the project and that they are all on state land. He noted that the grade is relatively low compared to Pogo Mine and is more similar to Fort Knox Mine but the core of the system is high grade and can be mined by underground methods. He talked about the potential and reiterated that the company is figuring out the best ways to extract product, and he showed a vertical hole that is mineralized from the surface to the bottom. Thus far the results have produced 547 meters at one gram per ton gold equivalent.

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MR. SMITH returned to the PowerPoint to slide 8, "2023 - 2024 Exploration Program," and said the company is currently "defining the geometry" and "continuity of mineralization" by drilling - up to approximately 30,000 feet of drilling; this information will be brought into a study; further there will be metallurgical, engineering, environmental baseline, wildlife, and biological surveys. In example, he noted that in 2022, the company had an anadromous fish survey conducted before it started drilling. The company understands the necessity of stakeholder engagement, a process that it has begun, as well. He offered a summary of the presentation.

[2:00:58 PM](#)

MR. SMITH responded to committee questions. He talked about the cost of energy being critical for mining and noted two types of energy used: diesel and wind power. He confirmed that the company has looking at smelting at Port MacKenzie. He explained that crushing materials would be done onsite and the minerals would be trucked out in the proposed West Susitna Access Road. He estimated there would be 3-4 trucks per day.

[2:06:45 PM](#)

CHAIR MCKAY thanked Mr. Smith for the presentation.

[2:07:11 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at [2:07] p.m.