

**02/18/14
LUNCH & LEARN:
DONLIN GOLD - A
GOLDEN
OPPORTUNITY IN
SOUTHWEST
ALASKA**

<TARGET><BILL></BILL><SUBJECT>02-18-14 LUNCH and LEARN
DONLIN GOLD - A GOLDEN OPPORTUNITY IN SOUTHWEST
ALASKA</SUBJECT><COMM>HRES28</COMM></TARGET>

Lunch and Learn

Tuesday at Noon

Capitol Room 106

An In-depth Look at Alaska's Resources

Lunch provided by presenters

**HOSTED BY
REP. ERIC FEIGE &
REP. DAN SADDLER
CO-CHAIRS
House Resources**

**Contact:
Linda Hay, Staff
465-3715**

Tuesday, Feb. 18, 2014

Program Title: **Donlin Gold—A Golden
Opportunity in Southwest Alaska**

Presenters: **Kurt Parkan—Manager,
External Affairs—Donlin Gold**

Sponsor: **Council of Alaska Producers**

Kurt Parkan is the External Affairs Manager for **Donlin Gold LLC**. Before joining Donlin Gold, Kurt was the External Affairs Director with the **Nature Conservancy of Alaska**. He served as Deputy Comm. of **AK DOTPF** for 8 years and worked for the **State Legislature** for 8 years before that. Kurt was a Planner for the **Fairbanks North Star Boro**, but his first job in Alaska was fighting forest fires during the summers while studying Environmental Planning at Univ. of Calif – Santa Cruz.

House Resources Committee Lunch and Learn
A Golden Opportunity in Southwest Alaska



DONLIN
GOLD

February 19, 2014

Kurt Parkan, External Affairs Manager

Donlin Gold Project



- Donlin Gold LLC is the operating company
 - 50/50 partnership with Barrick Gold and NOVAGOLD
- Land owned by Calista Corp. and The Kuskokwim Corp. (TKC)
 - Land selected for resource development
 - Exploration and mining lease with Calista
 - Surface use agreement with TKC
- Anchorage, Bethel and Aniak offices
 - 37 employees
- Project studies ongoing since 1995
 - Resource definition
 - Engineering studies
 - Environmental baseline data collection



Location Map



Populated Places (By Population)

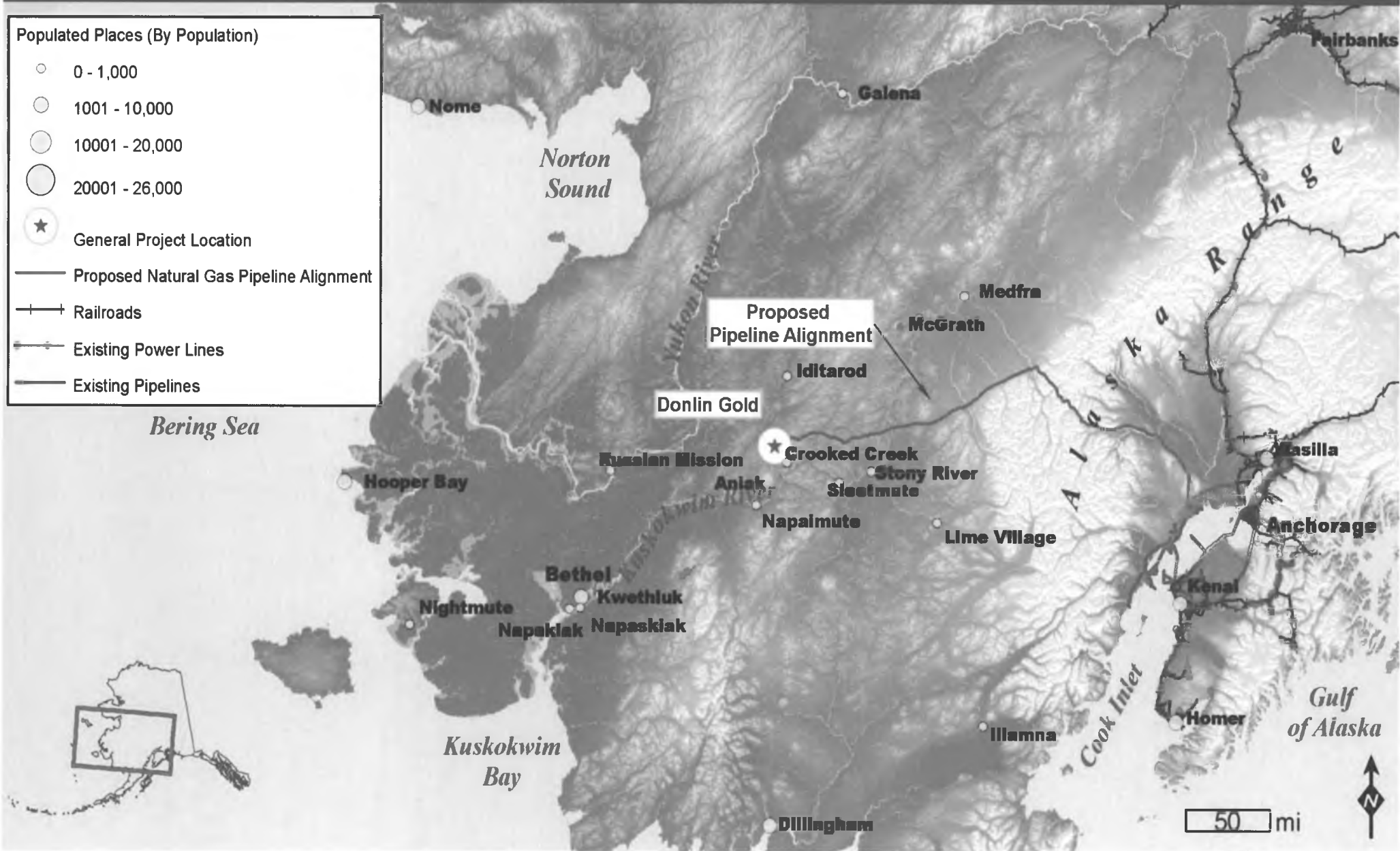
- 0 - 1,000
- 1001 - 10,000
- 10001 - 20,000
- 20001 - 26,000
- ★ General Project Location

— Proposed Natural Gas Pipeline Alignment

— Railroads

— Existing Power Lines

— Existing Pipelines

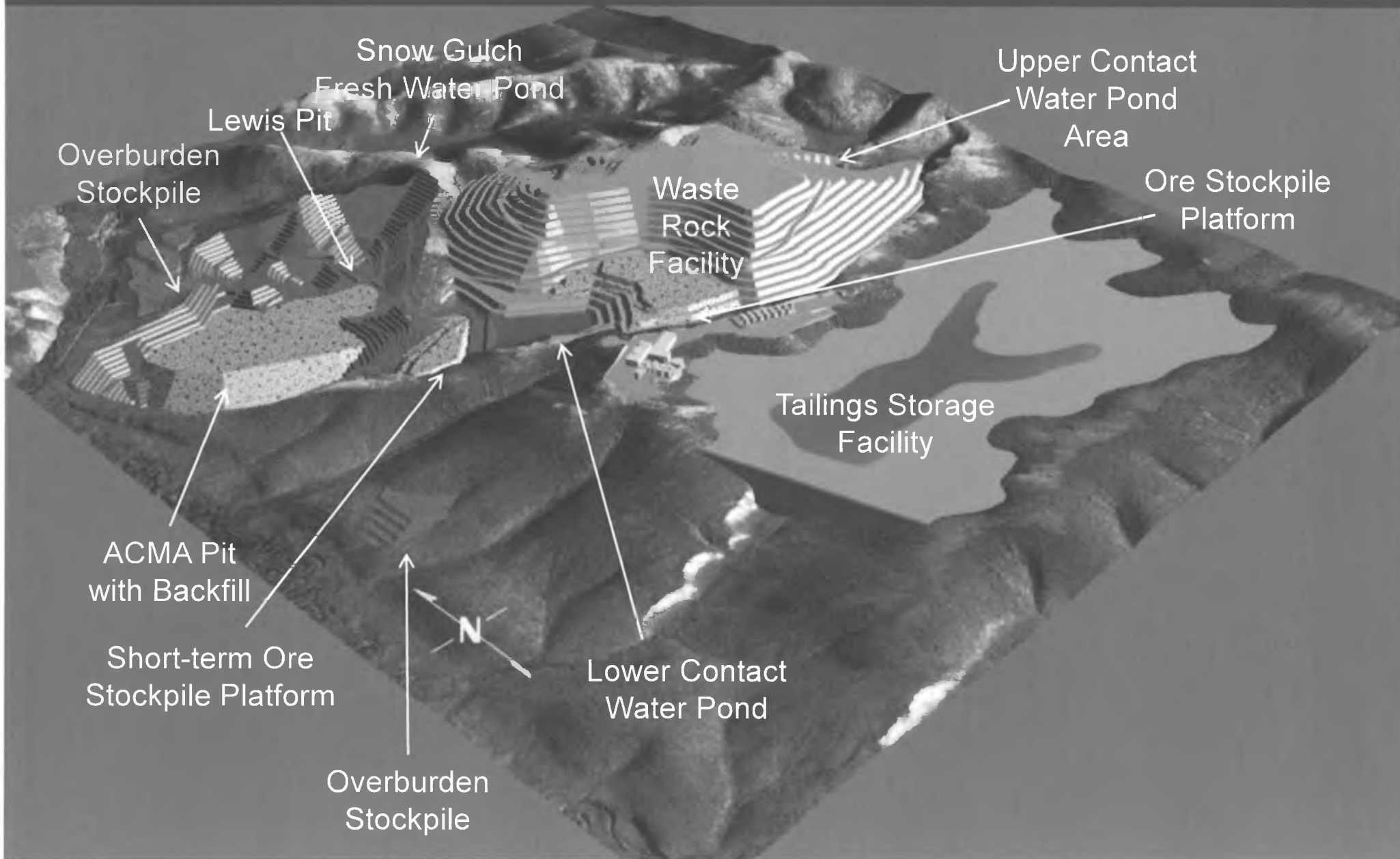


Mine Overview

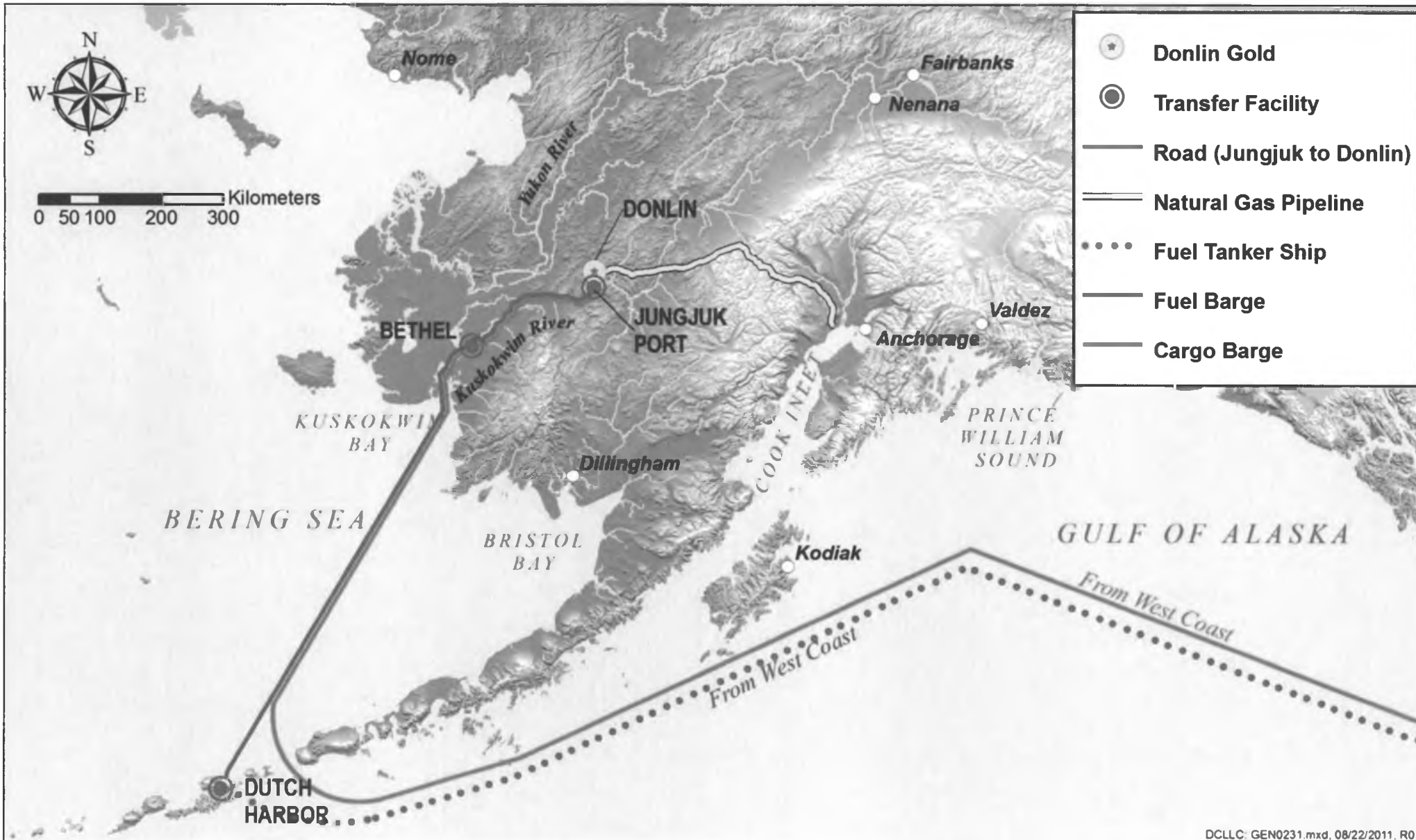


- **Reserves:** 33.9 M oz of gold
- **Mine Life:** ~27+ years
- **Production:** ~ 1.1 M oz/year
- **Mining:** Open-pit up to 485,000 tons/day
- **Milling:** 59,000 tons/day
- **Strip ratio:** ~5.5:1 = ~3B tons waste rock
- **Tailings:** Fully lined conventional storage facility
- **Infrastructure:** 5,000 ft runway, 30 mile road, two port facilities, camp for 600 employees
- **Power:** 150 MW on site generation using gas

Site Layout



Logistics and Supply Chain



NEPA Review



- NEPA review and resulting EIS will address the mine and associated infrastructure
- US Army Corps of Engineers is lead agency
 - Section 404 is primary Federal authorization
 - URS Contracted as Third Party Support
- Cooperating Agencies
 - Federal: BLM, USFWS, EPA, PHMSA
 - State: DNR
 - Tribal: Native Villages of Crooked Creek, Akiak, Aniak, Chuathbalak, Lower Kalskag, Napaimute, Knik Tribal Council,

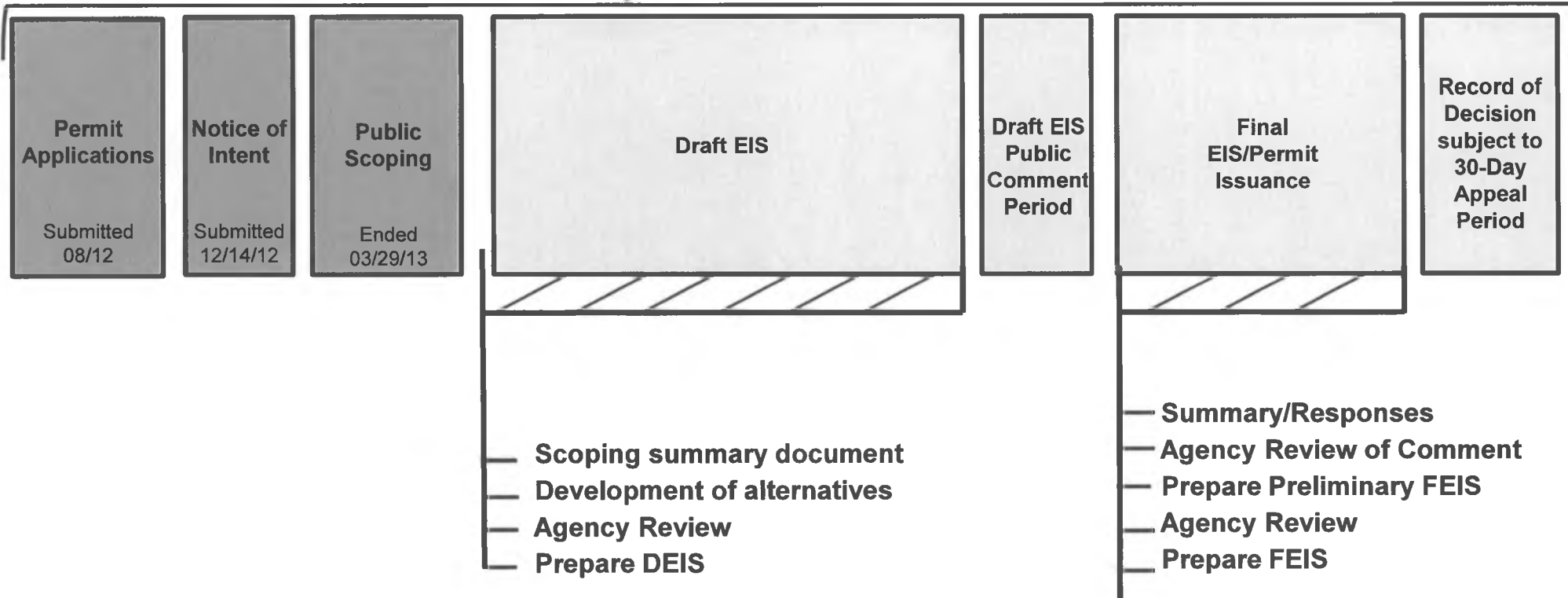
NEPA Timeline

~4 year process



Current Status

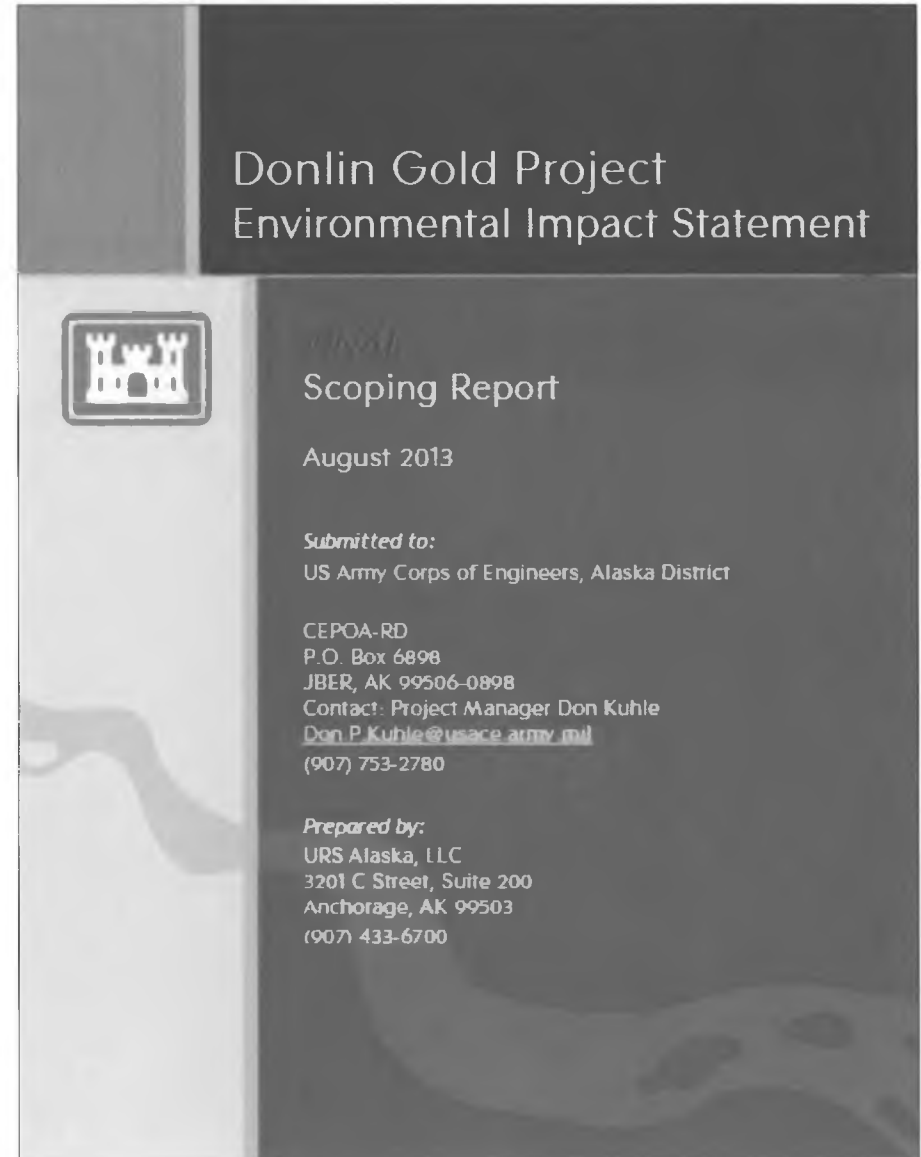
2012



Major Scoping Issues



1. Socioeconomic Impacts
2. Proposed Action and Alternatives
3. Hazardous Materials
4. Air Quality
5. Bonding, Escrow, and Reclamation
6. Water Quality and Quantity



- Nearly 100 permits needed
- Major federal permits
 - CWA Section 404/RHA Section 10 (USACE), Rights of Way (BLM), Pipeline Special Permit (PHMSA), PSD Air Quality review (EPA), EFH Consultation (NMFS), ESA Section 7 Consultation (NMFS/USFWS)
- Major state permits
 - Reclamation Plan Approval and Bonding (ADNR), Integrated Waste Permit and Bonding (ADEC), Wastewater APDES - Pit Dewatering (ADEC), PSD Title I Air Quality Permit (ADEC), Title 16 Fish Habitat Permits (ADF&G), Water Rights (ADNR), Rights of Way (ADNR/DOT), Dam Safety Certification (ADNR)

Workforce Development

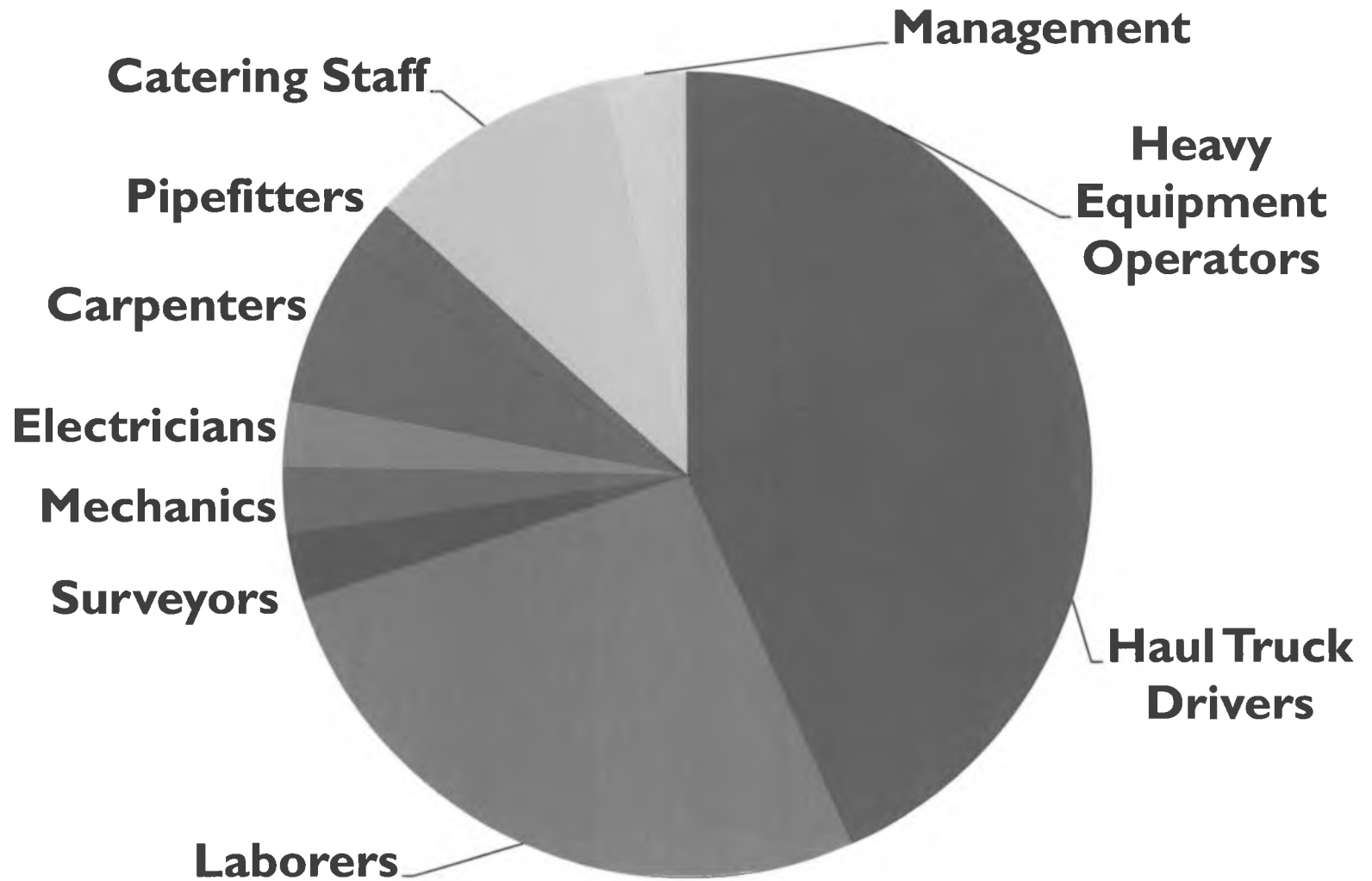


- Reputation for local hire
- Low turnover
- Shift schedule allows both good jobs and opportunity for subsistence activities
- Village and school visits- *finish school!*
- Scholarships
- 2013 Employer of the Year
 - National Association of State Workforce Agencies.

1,750,000 hours worked Loss Time Incident free



3,000 Construction Jobs



Operations- 600-1400 jobs



- Engineers
- Geologists
- Heavy equipment operators
- Mechanics
- Electricians
- Mill operators
- Safety specialists
- Environmental technicians
- Accountants
- Fork lift operators
- Cooks
- Housekeepers
- General maintenance



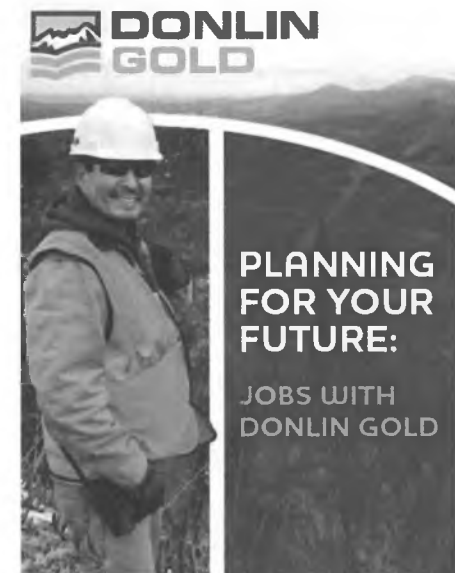
Preparation and Training



Training programs, colleges, universities, technical certifications for careers in mining are offered in Alaska

Example

- AVTEC
- Yuut Elitnaurviat
- UAA, UAF (Kuskokwim Campus)
- UAS Center for Mine Training
- Northern Industrial Training (NIT)
- Mining and Training Petroleum Services (MAPTS)
- Prince William Sound Community College



Economic Benefits



- \$375 M annual construction payroll
- \$ 97 M annual payroll during operations
- Royalties under 7(i) and 7(j) provisions of ANCSA
- State taxes
- Healthier economy



Mushing and Mining





DONLIN GOLD

PROJECT SUMMARY





TO THE PEOPLE AND THE COMMUNITIES OF THE YUKON KUSKOKWIM REGION

We invite you to read through this project summary booklet to get a better understanding of what we are striving to build—an environmentally responsible project that enriches the lives of those in the Yukon Kuskokwim (YK) region. Your insight is greatly beneficial in helping us through our planning process. Please call, write, email or visit any of our offices to provide us with your thoughts and get your questions answered.

CAREFUL PLANNING

Since the mid-1990s, Donlin Gold has been exploring an undeveloped gold resource located in the historic Kuskokwim Gold Belt of Western Alaska. During this time, we've conducted baseline studies, held informational meetings in villages throughout the region and gathered insight from stakeholders. All of these efforts have been directed at determining whether the Donlin Gold project is an economically and environmentally feasible option for natural resource development in the YK region.

OUR PROPOSAL

The Donlin Gold project site, located in the mountains 10 miles north of the village of Crooked Creek, is estimated to hold a gold deposit of more than 33 million ounces. If developed, the open pit mine would produce 59,000 tons of ore per day, equal to 118 million pounds. Construction, operation, and closure of the mine would provide thousands of jobs in the region for 27-plus years.

PERMITTING PROCESS

Over 100 local, state and federal government permits are required before construction and operation of a large mine in Alaska can begin. We expect the process to take at least three years. During this time, opportunities for public comment on the project proposal will be provided by the permitting agencies. Donlin Gold will continue to share information about the proposed project throughout this process.

Thank you for your time and interest in this project. We look forward to hearing from you.

A handwritten signature in cursive script, appearing to read "Stan Foo".

Stan Foo
General Manager
Donlin Gold

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QUICK PROJECT FACTS

- The proposed mine is expected to produce more than 1.5 million ounces annually for the first five years, and 1.1 million ounces or approximately 40 tons of gold annually during the remaining years of operation. These levels would make Donlin Gold one of the world's most productive gold mines.
- Up to 3,000 jobs would be provided during construction and up to 1,400 jobs during operation.
- With a local hire record that has exceeded 90 percent at the Donlin Gold camp, the project is committed to hiring residents of the region.
- An environmental baseline study program has been part of the project since exploration began in the mid-1990s to help fulfill Donlin Gold's commitment to responsible development.
- To reduce the amount of proposed barge traffic on the Kuskokwim River, a 14-inch buried natural gas pipeline is being recommended as the primary source of fuel for the generation of on-site power.



Donlin Gold exploration drilling in winter

SECTION 1: ABOUT THE PROJECT





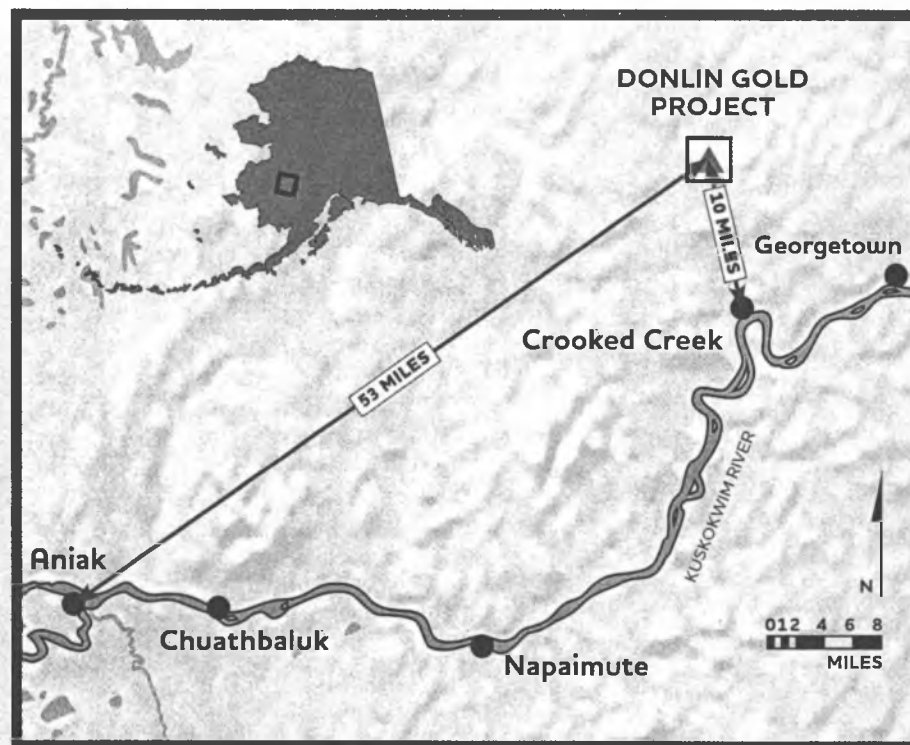
An example of an open pit mine

WHAT WOULD THE DONLIN GOLD MINE LOOK LIKE?

Donlin Gold would be an open pit mine, approximately 2 miles long by 1 mile wide. While a camp is currently set up at the site, additional infrastructure plans call for a new airstrip, more on-site housing, a port near Bethel and one port site closer to the mine. Other construction would include an on-site power generation plant, conveyor systems, a mill, truck shop, labs, waste water treatment plant, offices, warehouses, access roads and a buried natural gas pipeline. If all the required permits are approved, and a decision is made to fund construction, it would take three to four years to construct the project.

ABOUT THE PROJECT

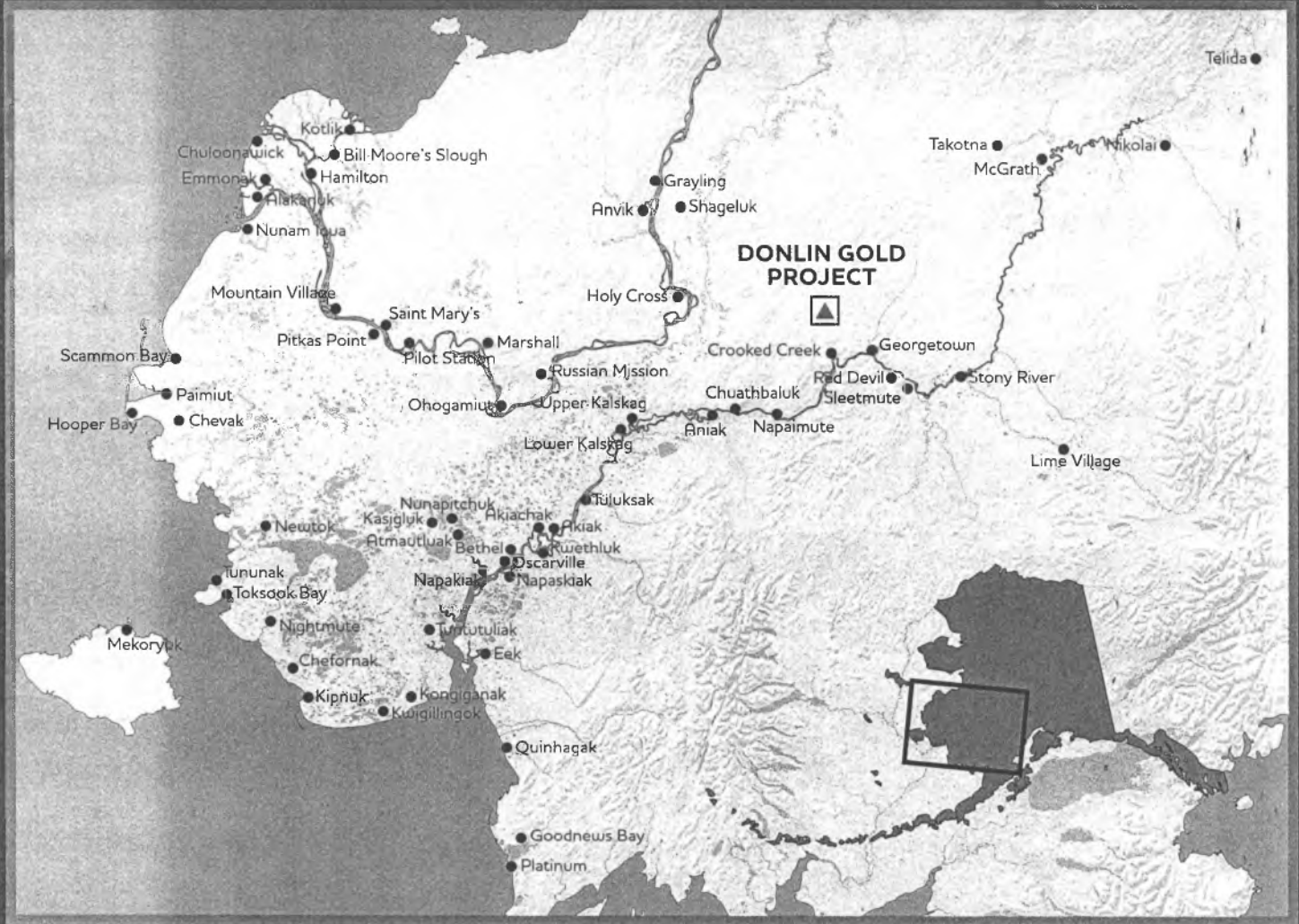
Donlin Gold is an undeveloped gold resource. Based on exploration results, proven and probable reserves are estimated at 33.6 million ounces of gold. Donlin Gold is proposing the development of a socially and environmentally responsible open pit gold mine. Approximately 59,000 tons (118 million pounds) of ore would be processed daily during the mine's 27-plus years life.



Map of the proposed Donlin Gold mine in relation to the Kuskokwim River.

WHERE IS THE PROJECT LOCATED?

The project site is located in the hills approximately 10 miles north of Crooked Creek Village on surface land leased from The Kuskokwim Corporation and Calista Corporation, an Alaska Native Regional Corporation formed under the Alaska Native Claims Settlement Act (ANCSA). Calista also owns the subsurface land and mineral rights in the proposed mine area.



Map of the proposed Donlin Gold mine in relation to the YK area.

HOW WOULD THE PROJECT BENEFIT RESIDENTS IN THE YUKON KUSKOKWIM REGION?

The project is located on Alaska Native Corporation owned lands and Donlin Gold is leasing the surface and subsurface rights, thus royalty revenue is subject to ANCSA 7(i) and 7(j) revenue sharing.

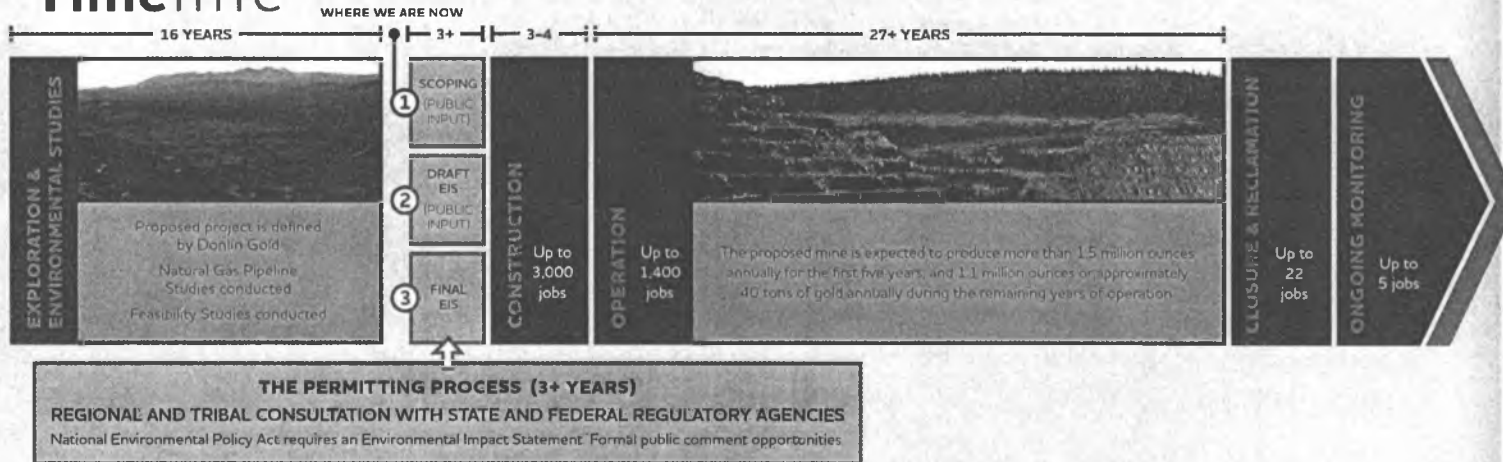
In addition to providing revenue sharing among Alaska Native Corporations, another major benefit of the Donlin Gold project includes jobs and

economic growth opportunities in the Yukon Kuskokwim (YK) region. During construction, which would take three to four years, the project would provide up to 3,000 jobs. Throughout the mine's 27-plus years operational life, the project would provide on average, approximately 1,400 jobs.

WHAT STAGE IS THE PROJECT CURRENTLY IN?

Although no specific dates are set, Donlin Gold anticipates permitting to take at least three years. Local, state and federal agencies will review the permit applications and decide whether or not to approve the project for construction and operation. Part of the process involves an Environmental Impact Statement (EIS) that will be prepared by federal permitting agencies to identify the potential project effects and mitigation needs. Throughout the process, Donlin Gold will continue with environmental studies.

Timeline



ABOUT DONLIN GOLD

Donlin Gold is equally owned by NOVAGOLD and Barrick Gold U.S., Inc. Activities at the Donlin Gold project are managed by Donlin Gold, which oversees all aspects of project development.

A high percentage of Donlin Gold's employees are shareholders and descendants of Alaska Native Corporations from the Yukon Kuskokwim region. Donlin Gold relies on regional businesses to support the project. In addition, Donlin Gold makes major contributions to a variety of regional, educational and social programs.

NOVAGOLD

BARRICK

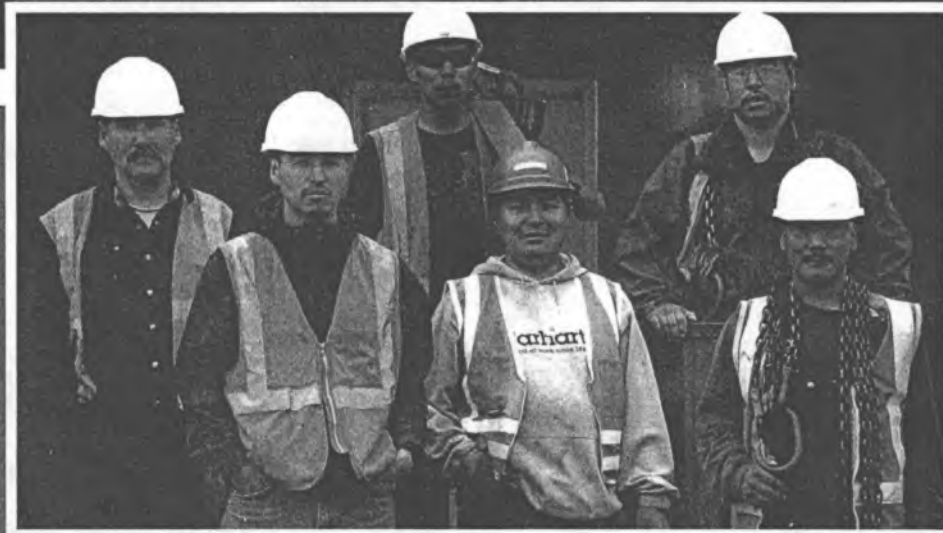
SECTION 2: EMPLOYMENT



EXPANDING THE REGION'S ECONOMY

Donlin Gold is a mining project that has and could continue to create jobs and opportunities in the YK region as development progresses. Since exploration began in 1996, the project has employed many local residents in the fields of geology, environmental science, community relations, health and safety, operations, and support/administrative services at the Donlin Gold camp and in other villages.

During construction and operation of the mine, the project would provide additional economic opportunities for local retailers and suppliers as the demand for goods and services would likely increase.



HIRING PREFERENCE

Donlin Gold is committed to Alaska hire with priority given to qualified Calista shareholders and their family members in addition to residents from the YK region for the jobs that would be available during construction and operation of the mine. The local hire record at the Donlin Gold camp has exceeded 90 percent and 9 of 10 supervisors are from the YK region.

EMPLOYMENT AT DONLIN GOLD

POTENTIAL JOBS

When construction and operation of the project begins, some of the types of jobs that may be available are:

- Airport Management
- Aviation
- Barge Operations
- Blasting
- Catering
- Construction
- Counseling
- Drilling
- Emergency Response
- Engineering
- Environmental Science
- Facility Maintenance
- Finance and Administration
- Geology
- Health and Safety
- Heavy Equipment Operation
- Housekeeping
- Human Resources
- Information Technology
- Logistics
- Mechanical Maintenance and Repair
- Milling/Processing
- Port Management
- Refining
- Trades (Electricians, Plumbers, Carpenters)
- Warehousing



Heavy equipment arrives for exploration work at Donlin Gold.

HOW MANY JOBS WOULD THE PROJECT CREATE?

Construction contractors would need to fill up to 3,000 jobs to build the project facilities, natural gas pipeline, ports and roads. If developed, the Donlin Gold project would be one of the largest employers in the YK region. Approximately 1,400 jobs would be available during operation. During exploration, the Donlin Gold workforce has included up to 240 employees.

Just as there is now, a local hire program would be in place to provide jobs to residents in the region.

The Donlin Gold project is a drug- and alcohol-free workplace.



JOB TRAINING

Donlin Gold is creating a jobs brochure that identifies some of the jobs that would be available during construction and operations. Donlin Gold will share information about jobs with communities in the region so residents can prepare for the employment opportunities the project could provide.

JOB LISTINGS

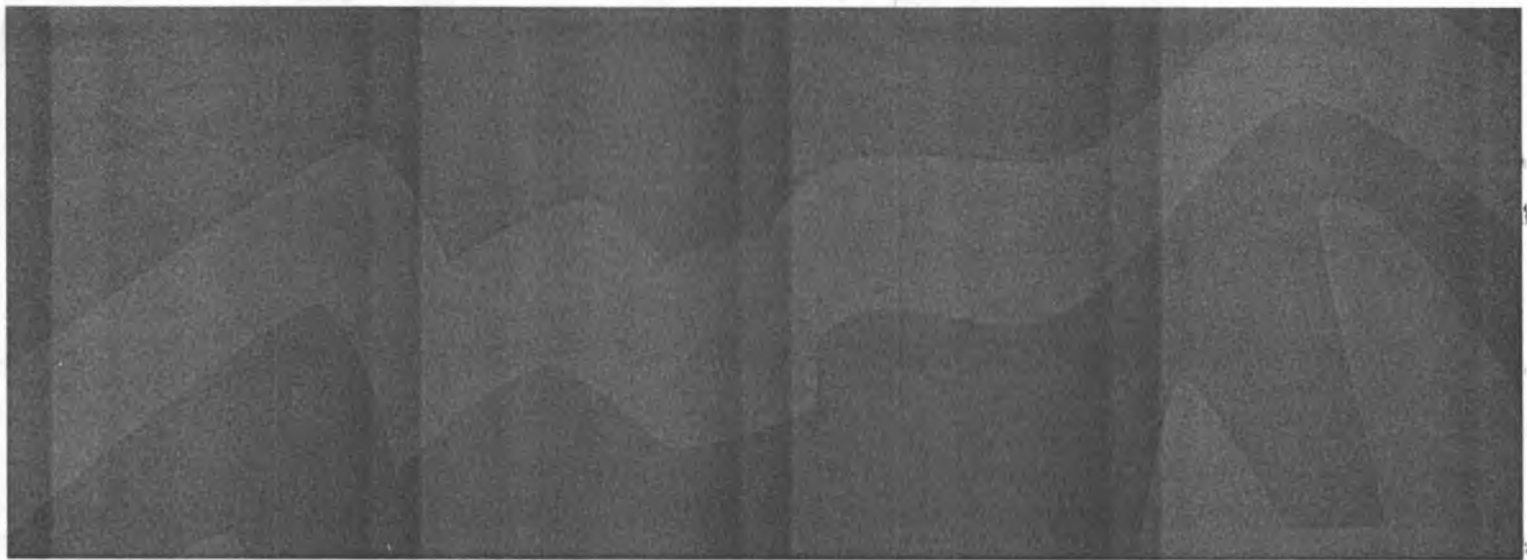
Job openings at Donlin Gold are posted online at:

www.DonlinGold.com/employees

Employment questions can be sent by email to jobs@DonlinGold.com

Or mailed to:

Attn: Human Resources
Donlin Gold
4720 Business Park Blvd., Suite G-25
Anchorage, Alaska 99503



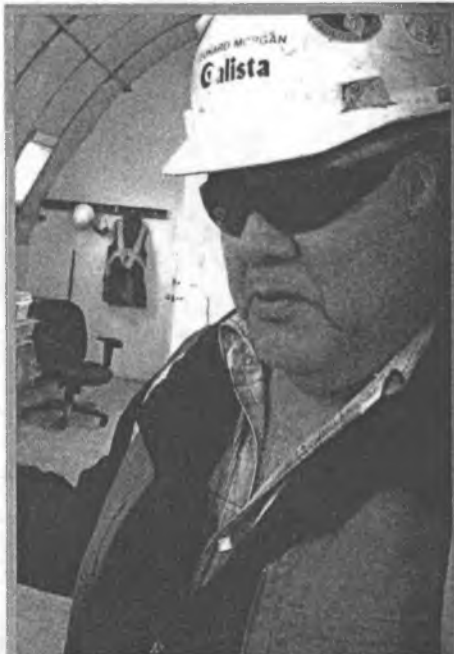
SECTION 3: PROJECT DEVELOPMENT

PROJECT





Wasillie Kameroff
Logistics and Shareholder Coordinator



11

Leonard Morgan
Logistics and Shareholder Coordinator

SAFETY

The safety of Donlin Gold employees is one of the company's top priorities. Donlin Gold staff and management live by the motto "every person going home safe and healthy every day," which guides their actions both on and off the worksite. From wearing appropriate gear to understanding how to correctly operate tools and equipment, every employee is required to follow safety procedures to protect their wellbeing and that of their coworkers. The accomplishment of more than 1.5 million accident-free work hours demonstrates the dedication Donlin Gold employees have to safety.

Through safety training programs and keeping certifications up-to-date, workers are able to maintain a safe working environment. Managers have created innovative methods to encourage the practice of safe behaviors and frequently provide staff with additional safety educational opportunities.

Each employee would be required to complete the following training under Donlin Gold's safety policy:

- mandatory 24-hour new surface miner training;
 - an annual 8-hour refresher course;
 - task training certification for all equipment operators and maintenance personnel;
 - regular department-specific safety training sessions; and
 - training to help everyone carry out their jobs safely and productively.
- Donlin Gold's safety is also promoted by having employees participate in additional safety training opportunities and safety protocols including:
 - approved safety programs such as Barrick's Courageous Leadership safety program;
 - measurable health and safety performance reviews;
 - immediate preventative and remedial actions after accident investigations;
 - following recognized industry standards and complying with all regulations; and
 - requiring that vendors and contractors comply with all health and safety standards.

RESPONSIBLE DEVELOPMENT

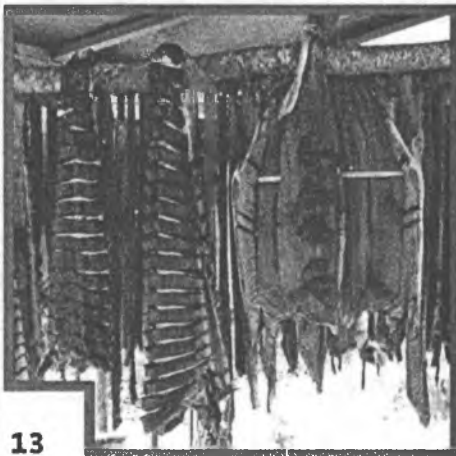
Donlin Gold is committed to responsible development. To provide a foundation for responsible development, an extensive environmental baseline study program has been ongoing since 1996. Resources and topics in the baseline study program include:

- Air Quality
- Cultural Resources
- Fish and Aquatic Resources
- Geochemistry
- Geotechnical
- Hydrology/Ground and Surface Water Quality and Quantity
- Land Use
- Marine and River
- Mercury
- Noise
- Public Health
- Recreation
- Snow Surveys
- Socioeconomics
- Stream and Sediment
- Subsistence
- Vegetation
- Visual Aesthetics
- Wetlands
- Wildlife

WHAT IS DONE WITH THE INFORMATION GATHERED FROM THE BASELINE STUDIES?

Data from these studies are used in the planning and design of the mine, and to establish environmental conditions prior to project development. This data has been submitted to regulatory agencies as part of the permitting process.





SUBSISTENCE RESOURCES

Subsistence hunting and fishing are a way of life for the people of the YK region. Donlin Gold respects this way of life and these resources. Studies of the Kuskokwim River resources and its physical makeup have been conducted throughout the years to provide information for project planning.

STUDIES OF THE KUSKOKWIM RIVER INCLUDE:

- Barge Wake Impacts
- Erosion
- Fishing Activity and River Use Surveys
- Historic, Current and Projected Salmon Statistics
- Mercury Baseline Studies
- Noise Surveys
- Sediment Sampling
- Wildlife Surveys

CULTURAL AND ARCHAEOLOGICAL RESOURCES

Donlin Gold has collected baseline information about cultural and archaeological resources through field surveys and site investigations. These studies help mine planners identify cultural resources when determining placement for infrastructure. Archaeologists and community members have jointly learned more about local heritage by sharing information during classroom visits and on archaeological site field trips as well as by local residents participating in community archaeology at the Jungjuk/Angyaruaq site.



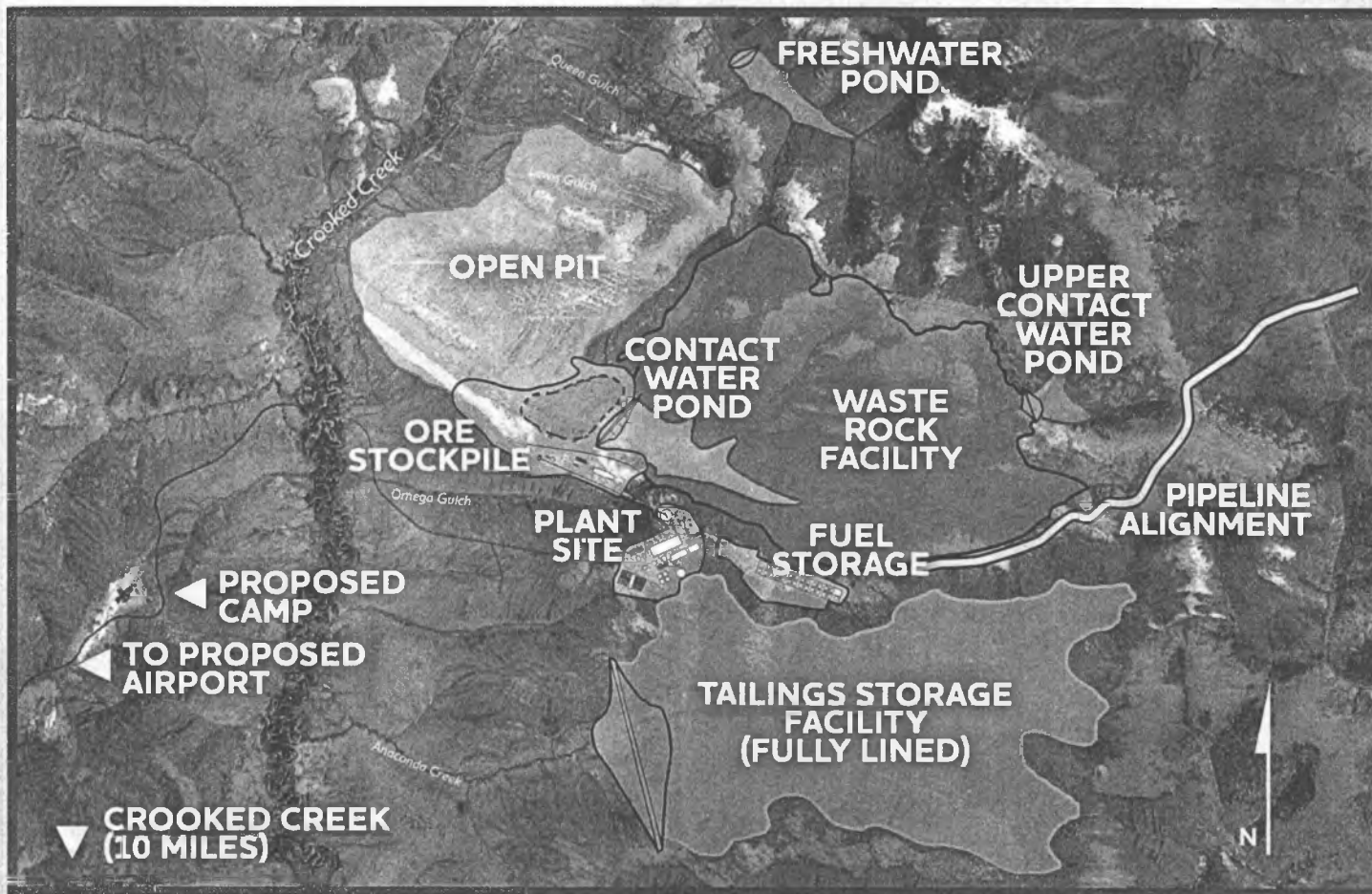
PERMITTING PROCESS

Approximately 100 permits and authorizations will be reviewed for approval by federal, state and local agencies before construction and operation of the Donlin Gold mine could begin. Permitting is anticipated to take at least three years due to the extensive review process and consideration by various agencies.

WHO LEADS THE PERMITTING PROCESS? WHO MAKES THE DECISIONS?

The permitting process is managed by federal and state regulatory agencies. The public, agencies and the applicant will have opportunities to comment on the project at different points during the permitting process. Donlin Gold's permit applications will be reviewed by federal and state regulatory agencies and possibly amended where needed.

The application for federal permits triggers a review process required by the National Environmental Policy Act (NEPA). The Environmental Impact Statement (EIS) is the document that records the details of the proposed project, alternatives, baseline information, and environmental, economic and social effects of the proposed project and different alternatives. The U.S. Army Corps of Engineers is the lead federal agency to oversee participation and manage federal coordination in conjunction with the State of Alaska's Large Mine Permitting Team (LMPT). The LMPT is a state interagency group within the Alaska Department of Natural Resources that works cooperatively with federal resource agencies and coordinates the state approval process.



The proposed mine site layout.

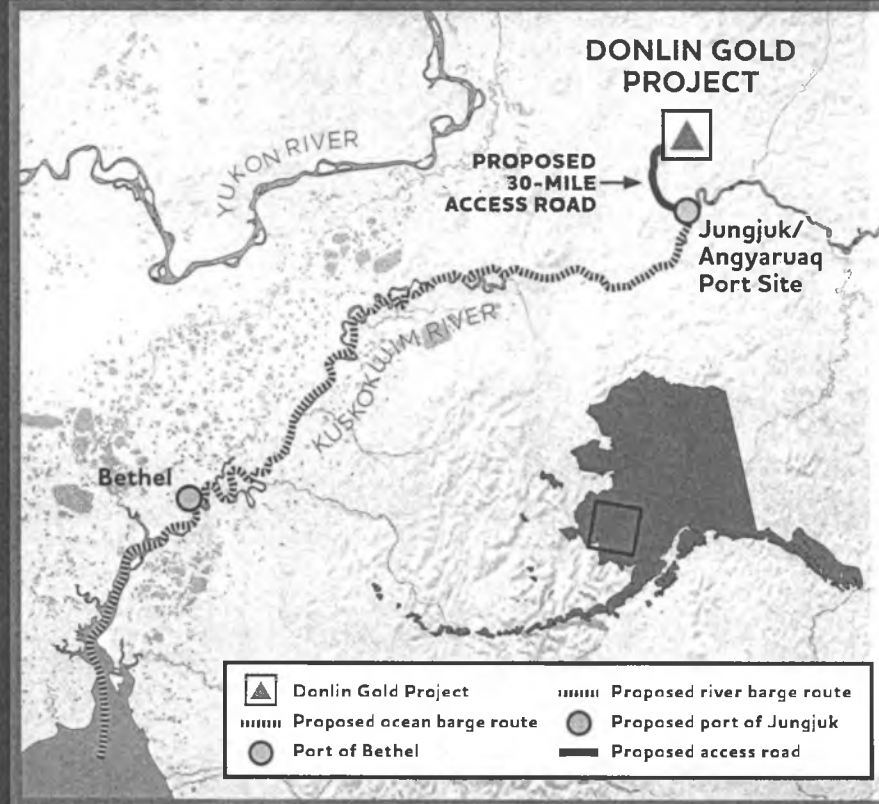
WHAT WOULD THE MINE LOOK LIKE?

The mine would be a conventional open pit operation with the following:

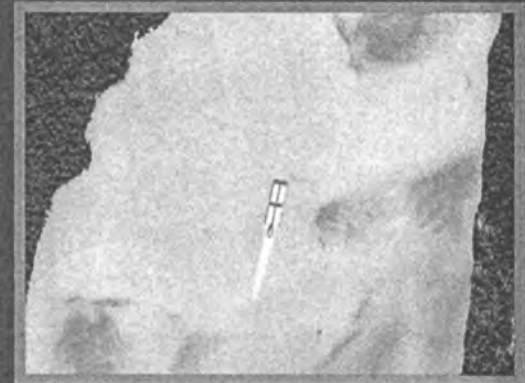
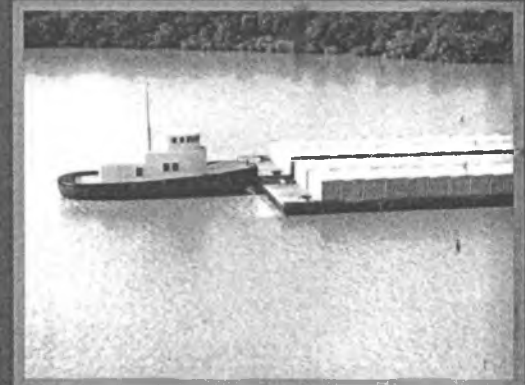
- Waste Rock Facility
- Contact Water Ponds
- Tailings Storage Facility
- Fuel Storage Facility
- Ore Stockpile
- Plant Site
- Airport
- Camp

BUILDING THE MINE

It would take about three to four years to construct the facilities and infrastructure needed to operate the mine should all required permits be approved. In addition to building access roads, a new airstrip and camp would be constructed along with a port near Bethel, and another port site, Jungjuk/Angyaruq, located eight river miles downstream from Crooked Creek village. Other infrastructure and mine facilities would include a power generation plant, mill, wastewater treatment plant, conveyor systems, warehouses, laboratories, offices, truck shop and a buried natural gas pipeline.



Barges would transport supplies up the Kuskokwim River to the Jungjuk Port site.



Computer rendering of river barges.

SHIPPING IN SUPPLIES

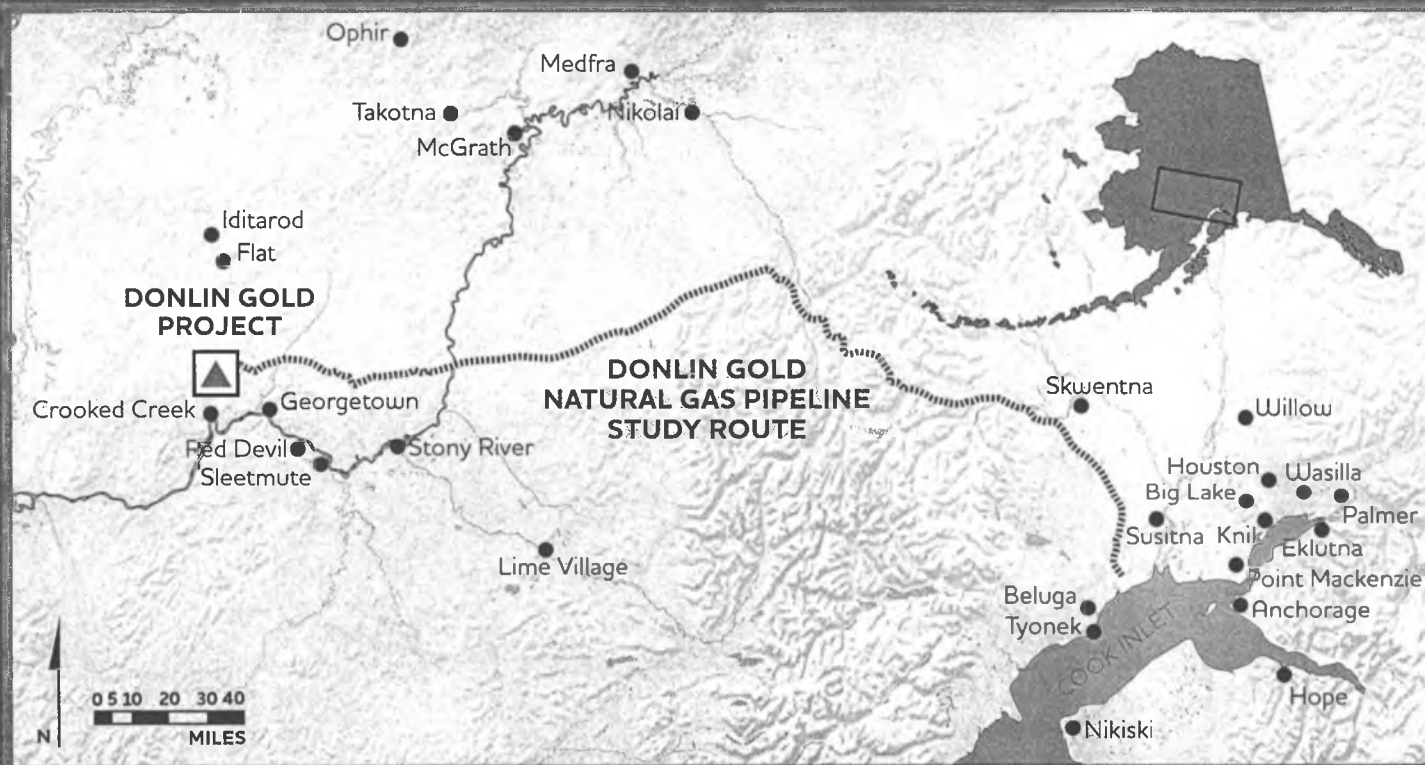
Supplies would be shipped to the region on ocean barges. Cargo would be transferred at or near Bethel to shallow draft river barges. During the summer, river barges would transport supplies and fuel from Bethel upstream to the Jungjuk/Angyaruaq Port. The shipping season would last between three to four months. A 30-mile access road from Jungjuk/Angyaruaq Port to the mine site would be constructed.

To help reduce barge traffic on the Kuskokwim River and the amount of diesel fuel required, Donlin Gold is proposing to build a buried natural gas pipeline to supply on-site power generation. Personnel and some supplies would be transported by air to the mine. A longer airstrip would be constructed several miles away from the site.

Donlin Gold would be required to have an Oil Discharge and Prevention Contingency Plan (ODPCP). The plan would include staged response equipment and trained response crews.

HOW MANY BARGES WOULD BE GOING UP AND DOWN THE KUSKOKWIM RIVER DAILY?

- Up to three, one-way river barge trips would be made daily.
- Four river barges would be used for transporting fuel and equipment, but they would not all be en-route at once.
- Use of barges would be seasonal from early June through early October.



Routes have been studied for a buried natural gas pipeline.

POWERING THE PROJECT

The project would require an average of more than 150 megawatts of electricity to power the mill and facilities. The power would be produced using on-site natural gas fired generation.

NATURAL GAS PIPELINE

Donlin Gold is proposing to build a buried natural gas pipeline to supply gas to the project. The 312-mile-long, 14-inch steel pipeline would transport natural gas from the Cook Inlet region, over the Alaska Range, to the project site.

Temporary roads and stream or river crossings would be necessary during pipeline construction. Donlin Gold has studied various pipeline routes and collected baseline data on:

- Wetlands and Stream Crossings
- Cultural Sites
- Seismic Conditions
- The Iditarod Trail
- Aquatic Resources
- Earthquake Faults

Temporary roads and infrastructure would be reclaimed once construction of the pipeline is completed. Above-ground safety check valves would be located every 20 miles or more along the pipeline.

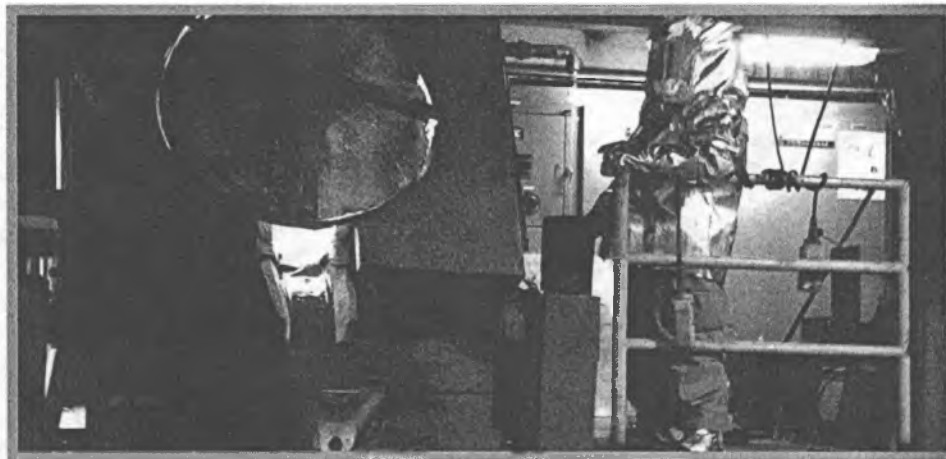
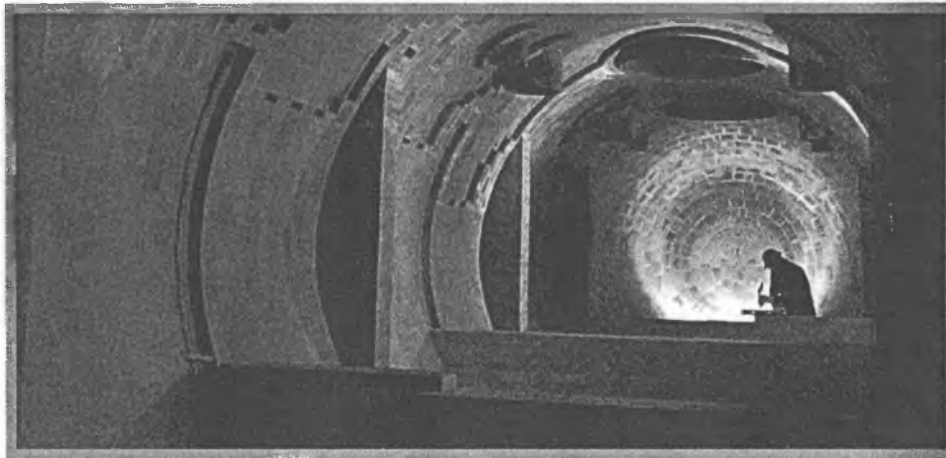
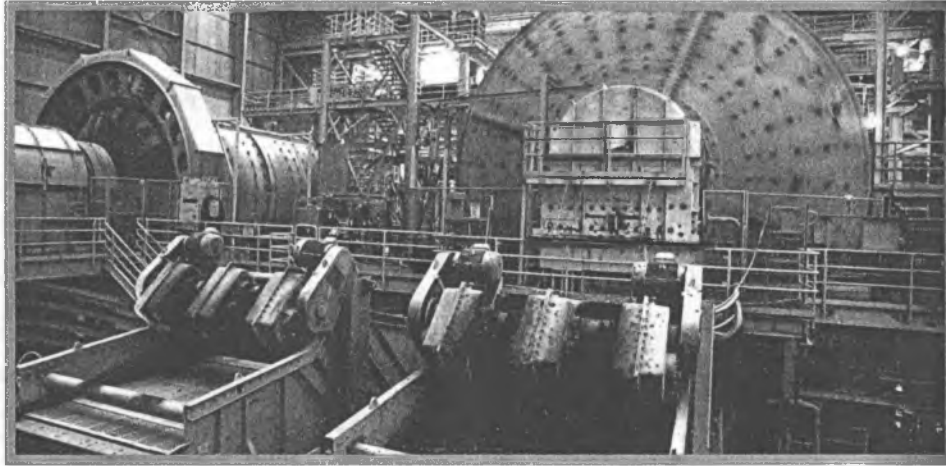


SECTION 4: MINING PROCESS

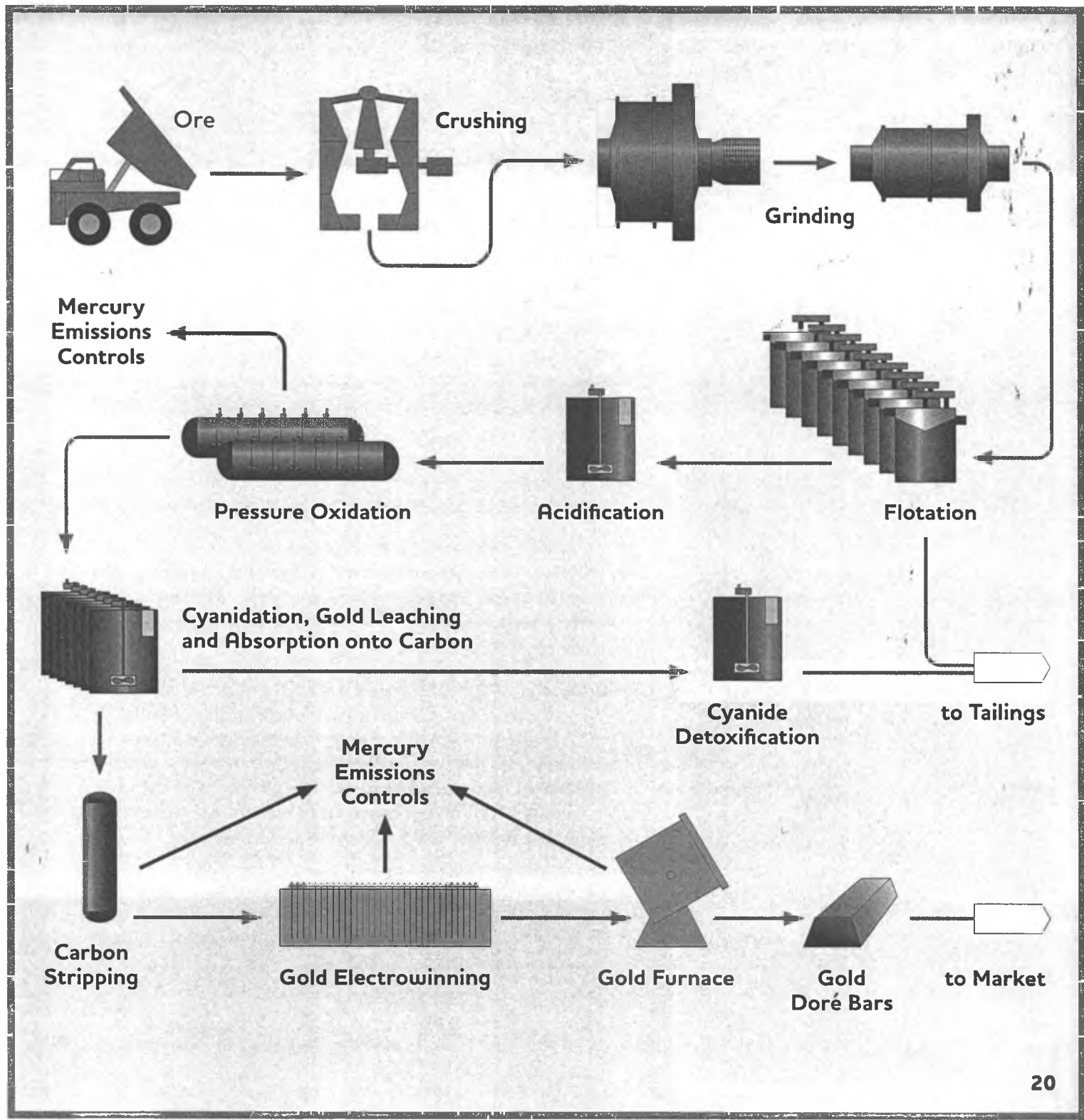
MINING METHOD

The mineralized rock at Donlin Gold would require multiple steps in processing to extract the gold.

1. The mineralized rock is first crushed and then ground in large mills to create a fine silt-like powder.
2. The gold bearing minerals are then separated from other materials using a process called flotation.
3. A process called pressure oxidation is used to oxidize the gold bearing minerals.
4. The oxidized material is mixed with a cyanide solution in large tanks inside the mill. The gold dissolves in the cyanide.
5. The dissolved gold is then collected onto activated carbon and the cyanide solution is sent to a cyanide detox unit. Any trace amounts of cyanide left in the tailings would breakdown further under natural conditions.
6. The gold is then extracted from the carbon and refined into gold doré bars.



Top: A grinding circuit would pulverize the ore. Middle: Inside an autoclave where pressure oxidation takes place. Bottom: Refining the gold and pouring it into gold doré bars.



MANAGING MERCURY

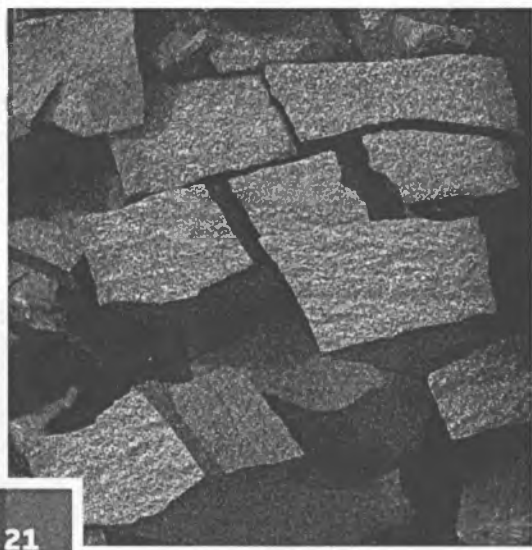
The rock at Donlin Gold contains naturally occurring mercury, common in many areas of the world associated with volcanic activity, high heat flows and plate tectonic boundaries. This mercury is released into the atmosphere through natural processes such as weathering of rock, vaporization from soil, wildfires and off-gassing of the world's oceans. According to the U.S. Environmental Protection Agency (EPA), about one-half of the mercury emitted into the air each year is from these natural processes. The U.S. Geological Survey has measured the concentration of mercury in sediment, water, and fish collected from streams in the YK region and their findings show higher concentrations of naturally occurring mercury in some areas of the region compared to others.

At the Donlin Gold mine, mercury air emissions released during the milling process would be captured in multiple stages. Donlin Gold would install and operate state-of-the-art mercury emission controls, and any captured mercury would be shipped off-site to a federally regulated facility.

Recently, the EPA finalized new national emissions standards for mercury based on maximum achievable control technology (MACT). These new limits are based on the nation's best-performing gold processing facilities, which are well controlled for mercury. Donlin Gold supports the adoption of these strict regulations and would use state-of-the-art technologies developed at Barrick Gold to meet these standards.

Page 21: Top: Cinnabar, known as red mercury, is the common ore of mercury. Bottom: The rock at the proposed Donlin Gold mine site has naturally occurring mercury.

Page 22: Top: An example of a waste rock pile above a tailings impoundment. Middle: Testing for Acid Rock Drainage at Donlin Gold. Bottom: An example of a mine site where potential acid-generating rock is covered with soil to reduce contact with water.



MANAGING WASTE ROCK AND AIR QUALITY

WASTE ROCK

Rock that does not go to the mills is called waste rock and would be hauled to a waste rock facility. Reclamation of the facility would take place in stages throughout the life of the mine, and the remaining waste rock would be contoured, covered and vegetated to facilitate stability and assist with beneficial use after closure of the mine.

METAL LEACHING

Although only a relatively small percentage of rock at Donlin Gold has the potential for Acid Rock Drainage (ARD), all of the rock is metal leaching to some extent. Metal leaching occurs when some metals can be leached from the rock by contact with water under neutral or non-acidic conditions. Test work on the rock at Donlin Gold has shown arsenic and antimony are two metals which are leachable under neutral conditions. Because of these conditions, Donlin Gold is proposing to capture and manage all of the water that contacts the waste rock facility in a contact water pond. It will be stored on-site and will not be discharged.

AIR QUALITY IN THE REGION

Since 2003, Donlin Gold has been operating an air quality and metrological monitoring program. Wind speed, temperature, humidity, solar radiation, precipitation and barometric pressure are all covered and recorded under this program. This information is used to assess and mitigate potential effects from construction and operation of the mine.





AQUATIC RESOURCES

Water is perhaps the most valuable and important resource in the YK region. Streams and rivers provide food and transportation for residents. The YK region also has a plentiful source of fresh surface water, with about 20 inches of precipitation annually at the Donlin Gold project site.

The project has been designed for no discharge of mine-contacted water. Any water that comes into contact with mine facilities would either be used in the milling process or stored on-site.

Donlin Gold has been gathering surface water quality data since 1996, and has collected surface and groundwater quality data quarterly since 2003. Currently, Donlin Gold's Environmental Department routinely collects water quality samples from approximately 20 surface water stations and 25 groundwater wells.

STUDYING FISH

There have been multiple baseline studies of the area's streams and rivers. Aquatic biologists have conducted salmon and resident fish surveys since 2004 to document fish species, run timing and aquatic habitat. A fish weir has been installed seasonally since 2008 to provide more definitive numbers of fish entering the Crooked Creek watershed.



Page 23 From Top to Bottom: Environmental Specialist Greg Sakar collecting and recording baseline water samples; Fish weir and underwater video camera; Fish food (stream insect) sampling; Aerial salmon counts

Page 24: Top: Diagram of a lined tailings storage facility, designed for no discharge. Middle: Typical large gold mine tailings dam. Bottom: Seepage collection system below a tailings dam.

MANAGING TAILINGS

During the process of gold extraction, wet tailings resembling silt are a byproduct of the milling process. A containment dam engineered to the most stringent design standards would be built to contain the tailings. As an additional safeguard, Donlin Gold's tailings storage facility would have a synthetic liner similar to ones used in newly designed city landfills and sewage lagoons. The ultimate size of the tailings storage facility would be approximately 1.75 miles long by 1 mile wide. At closure, the surface water would be removed from the tailings storage facility, and it would be covered with rock and soil and revegetated.

WHAT WOULD HAPPEN TO THE TAILINGS DAM IF THERE WAS AN EARTHQUAKE?

The Donlin Gold site lies in a seismically active region. Therefore, the tailings dam would be engineered to withstand strong ground motion that might result from an earthquake. A similar type of dam is used at the Fort Knox gold mine near Fairbanks, Alaska, which withstood the Denali Fault earthquake of 2002 that measured a 7.9 magnitude.

TAILINGS POND WATER

TAILINGS

ROCK-FILL DAM

SYNTHETIC LINER



MANAGING CYANIDE

The Donlin Gold project is designed to comply with the International Cyanide Management Code, which covers the production, transport, storage and use of cyanide as well as the decommissioning of cyanide facilities. Dry sodium cyanide briquettes would be shipped to Donlin Gold in sealed steel International Standards Organization (ISO) tanks. On-site, the briquettes would be dissolved into a weak, pH-controlled solution for use in the mill. The gold would be removed from the cyanide solution during the milling process. The remaining solution would then go through a cyanide detoxification process to reduce its concentration. The cyanide remaining in the tailings storage facility would disintegrate further under natural conditions.

Computer rendering of tanks
containing a cyanide solution.



SECTION 5: CLOSING THE MINE



Initial reclamation after mining closure.



The same area after initial reclamation.

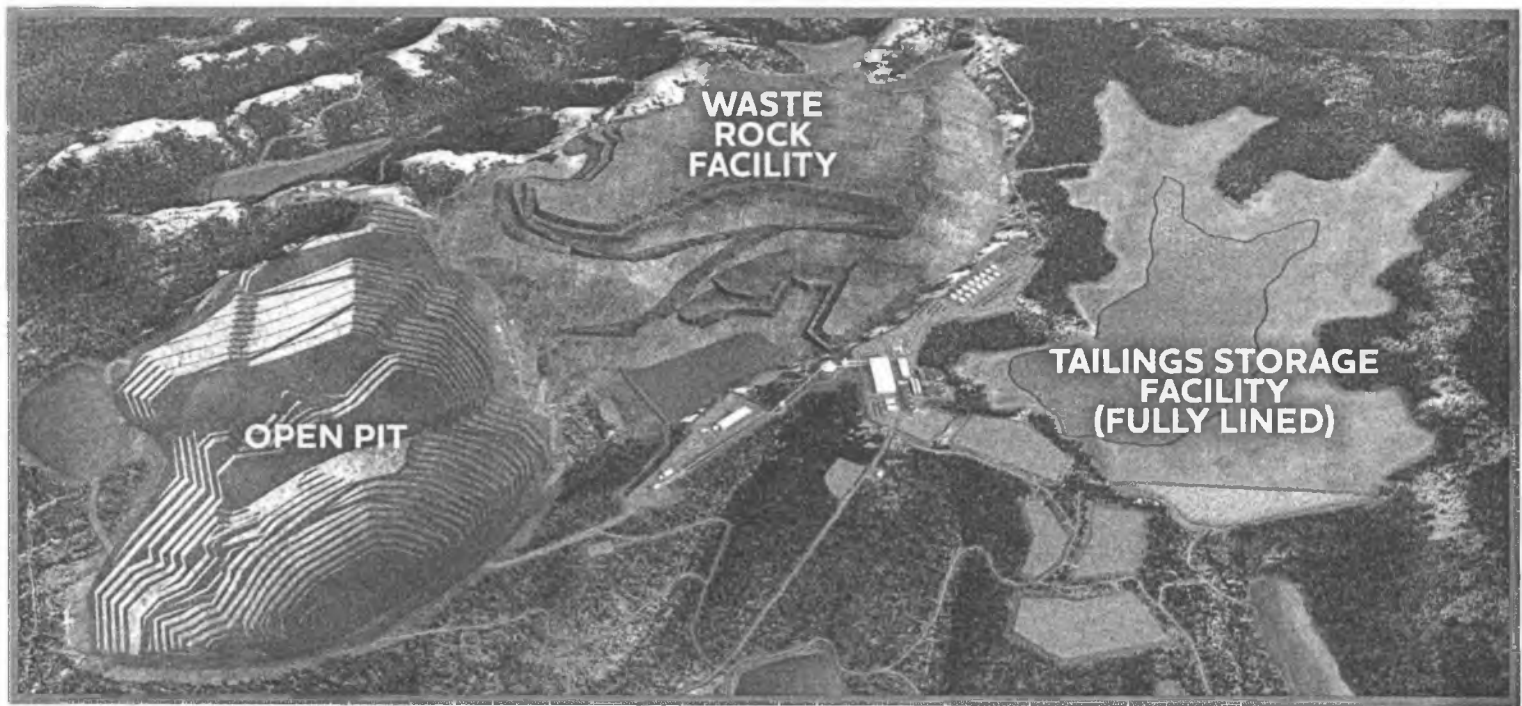
RECLAMATION

A Reclamation and Closure Plan is required by law to ensure that when mining activities are complete, the mine is closed and the land is returned to a stable condition. The restoration plan is worked out in great detail and submitted to the permitting agencies for approval before the project is authorized for development. Reclamation involves re-contouring and seeding the land.

CLOSING THE MINE

Upon completion of mining activity, the buildings and equipment would be taken apart and removed. At the end of the mine's operation, Donlin Gold is proposing to allow the pit to fill with water and become a lake over time. The water quality of the lake would be monitored.

After the closure of milling activities, excess water would be pumped from the tailings storage facility to the pit lake and treated to meet water quality standards. The tailings area would then be covered and seeded with a grass mix. The waste rock facility and other altered areas will be re-contoured and seeded. Over time, native trees and plants would naturally reclaim the area.



Top: Illustration of the mine site at 20 years of operation.
Bottom: Illustration of the mine site after reclamation.

CONCURRENT RECLAMATION

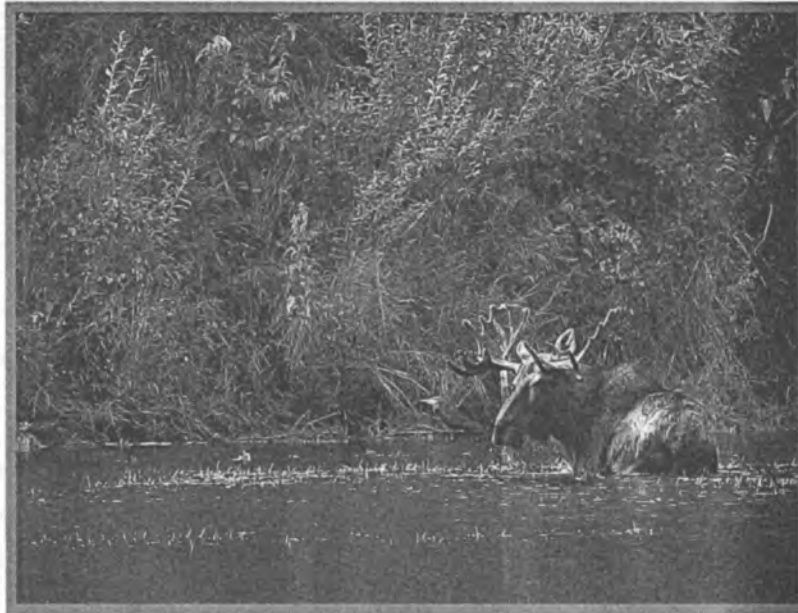
Whenever possible during operations, disturbed land areas would be contoured and vegetated after they are no longer required for mining activity. Experience shows better reclamation results when concurrent reclamation is utilized.

MONITORING AFTER CLOSURE

Long after the mine is closed, water quality monitoring would continue, along with water treatment when needed, to meet permitted water quality standards.

HOW DOES DONLIN GOLD GUARANTEE PROPER CLOSURE OF THE MINE?

To guarantee reclamation is carried out, the law requires the mine operator to provide financial assurance that the mine would be closed according to the permit requirements. This can take the form of a bond or other financial commitments that are independently verified and approved by regulating agencies.



These moose were photographed in reclaimed areas of the Fort Knox mine in Alaska.



SECTION 6: COMMITTED TO COMMUNITIES



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From Top to Bottom: Alaska Native Science and Engineering Program students tour the Donlin Gold project site. Student Kevin Keyes gains hands-on work experience at Yuut Elitnaurviat. Third graders in Chevak receive dictionaries provided by Donlin Gold.

EDUCATION

From field trips and science projects to classroom presentations and archaeological digs, Donlin Gold has provided dozens of educational opportunities for local students. The company's support of educational programs and events shows Donlin Gold's commitment to creating a project that enriches the lives of those in the YK region.

By providing resources and tools to students to explore their interests, youth complete their education and the necessary training for their desired profession.

SAFETY EDUCATION

As a company committed to safety, Donlin Gold has supported the Dragon Slayers program and the participation of its employees in it. This program teaches emergency response skills to teens in the region.

VOCATIONAL EDUCATION

Donlin Gold has partnered with vocational and training organizations such as the Kuspuk Career Academy and the Kuskokwim Native Association's fisheries management program, providing internships to their participants. The Kuspuk Career Academy focuses on broader educational and professional growth, offering students instruction in math, communications and technological skills.



SCHOLARSHIPS

Donlin Gold is providing opportunities directly to the youth of rural Alaska as a major contributor to both the Calista Heritage Foundation (CHF) Scholarship Fund and the Kuskokwim Educational Foundation (KEF).

The CHF Scholarship Fund provides financial assistance to Alaska Native students with ties to the Calista Region, and enables recipients to participate in continuing educational activities and formal study programs. Proceeds directly benefited over 200 students in 2011. Educational assistance through KEF is provided for Native people and their descendants from the Kuskokwim Corporation region so students obtain the tools, knowledge and skills to become successful and contributing members of their communities.

INTERNSHIPS

The Donlin Gold project has provided many hands-on learning opportunities for students interested in science and engineering including the fields of geology, archaeology and environmental conservation, in addition to water and fisheries management.



From Top to Bottom: (Left) Calista Scholarship recipient Puyuk Merculief. (Right) Intern Marvin McDonald installing a fish weir. Intern Darien Thomas screens dirt from an archaeology site. Intern and UAF geology student Erin McComb.

COMMUNICATING WITH STAKEHOLDERS

Through a variety of community outreach efforts, Donlin Gold has shared information about the project with residents and provided them with many different ways to submit input directly by using the following communication outlets:

- Phone (toll free)
- Email
- Village Visits
- Donlin Gold Camp Tours
- Mail
- Newsletters
- Village Offices (in Bethel and Aniak)



VILLAGE VISITS

For several years, Donlin Gold staff have been hosting project update meetings in villages throughout the YK region, providing residents with the opportunity to learn about the project directly from Donlin Gold staff and giving stakeholders the chance to be heard.

Information at these meetings is presented in Yup'ik which is the primary language of most residents in the YK region.



NEWSLETTERS

Donlin Gold sends more than 12,000 newsletters monthly to stakeholders with the latest information on the project. Newsletters give updates on the project's progress, safety guidelines, and highlight employees and their contributions to surrounding communities.

The Donlin Gold newsletter was recognized by the Public Relations Society of America with an Award of Excellence for an external publication.



PROJECT SITE TOURS

Every summer, Donlin Gold provides project site tours for multiple groups of visitors such as teachers and students, village elders, community and state leaders, and government officials.

These tours are an opportunity for visitors to get a firsthand understanding of the proposed project and supplement the information they may have already received from Donlin Gold's monthly newsletter, project description flyers and community meetings.



TOURING OTHER MINES

Donlin Gold staff have also accompanied leaders from the YK region on tours of operating gold mines in Alaska and the Lower 48, including the Fort Knox mine near Fairbanks and other mines in Montana and Nevada. These additional mine tours provide a firsthand view of an operating gold mine. Although some of the actual mining processes may be different from the proposed Donlin Gold project, there are many similarities that can inform visitors about modern mining technologies as well as successful safety and environmental practices.



Left to Right: Donlin Gold sends a monthly newsletter to stakeholders with information about the project. In the summer, Donlin Gold staff provide tours of the camp and proposed mine site to residents from the YK region. Donlin Gold employees and leaders from the YK region tour operating gold mines throughout the U.S.

COMMUNITY SUPPORT

Donlin Gold is committed to a positive and open relationship with the people of the YK region. It is the company's priority to create a safe and environmentally responsible mining project that provides opportunities for local residents. Donlin Gold has sponsored a variety of community programs and events, and continues to support many local charities and nonprofit organizations.

SPORTING EVENTS

To honor the region's rich history in mining and mushing, Donlin Gold has been a Principal Partner Sponsor of the Iditarod, and a sponsor of the Kuskokwim 300. Donlin Gold has also supported mushers from the YK region in these sled dog races.

In addition, Donlin Gold sponsors the annual Iron Dog snowmachine race, another major event in which YK residents participate.



From Top to Bottom, Left to Right: 2012 Iditarod winner Dallas Seavey at the finish line. Donlin Gold employees Boise Alexie, Kenyon Akin, Lloyd Heckman and Lloyd Heckman help clear debris along the Iditarod trail. Youth performing at the Salmon Dance Festival. Donlin Gold Community Relations team member Vernon Chimegalrea at the Donlin Gold Iditarod photo tent. Donlin Gold External Affairs Manager, Kurt Barkan, helps village council for a village project update meeting.



From Top to Bottom Left to Right: The Dragon Slayers program provides EMT training for teens in the region. Rural Girl Scouts gather to raise a summer camp. Donlin Gold donated \$50,000 to the Crooked Creek Tribal Village. The annual Bethel Clothing Drive provides families with winter wear. Many homes were destroyed by flooding in the village of Crooked Creek.

LOCAL PROGRAMS

Donlin Gold has supported the participation of its employees in community programs such as Bethel Search & Rescue, the annual Bethel Clothing Drive, rural Girl Scouts, the Dragon Slayers EMT training program for teens and providing educational presentations in local schools.

COMMUNITY INVESTMENT

Being a good neighbor is important to Donlin Gold and the company has provided communities with assistance whenever possible. For instance, during the unexpected spring flooding in the village of Crooked Creek in 2011, Donlin Gold staff helped evacuate residents taking them to temporary shelter at the camp. Donlin Gold also helped Crooked Creek in their rebuilding efforts.

To help promote Donlin Gold's strong safety values in the region, staff have participated in safety programs such as Donlin Gold's boating safety campaign where staff visit fish camps during the summer to pass out boating safety related items and information.



CALISTA CORPORATION
www.calistacorp.com

Calista owns the subsurface estate at the Donlin Gold project. This natural resource development project, if done in a responsible manner, has the potential to provide many in-region jobs and economic benefits for all of Calista's Shareholders. After 16 years of geologic exploration, environmental, and natural baseline studies, the proposed Donlin Gold mining project is now in permitting.

During this project review process, approximately 100 state and federal permits will need to be approved by regulatory agencies before any construction or mining activity can begin. The federal National Environmental Policy Act requires that there be opportunities for the public to give input on a proposed project during the permitting process. This process will take several years. Calista Shareholders, Descendants, and people living in the Region are encouraged to educate themselves about the proposed project and make their voices heard so that all issues are addressed.

The Alaska Native Claims Settlement Act of 1971 mandated the establishment and operation of Calista as a for-profit business, but also with very unique responsibilities. Calista was empowered to select and receive land for subsistence and natural resource use as well as the obligation to create and build economic assets for its Shareholders. The corporation operates as a business generating profits for its owners - today and long into the future. But it must also protect the land and resources, because the people depend upon this land for subsistence foods, materials and daily sustenance.

Calista Corporation will meet its duties and responsibilities through responsible and safe development of its land. The Donlin Gold project presents an opportunity for tremendous economic growth in the Region. As shown by the long pre-permitting stage, this large-scale project will be undertaken with careful consideration and research. Calista is committed to analyzing and monitoring each step of the process, because the corporation understands what is at stake. Resource development can only proceed if it meets high standards of environmental protection, minimal impact on subsistence resources and promotion of economic opportunities for our people.

-Calista Corporation


The Association of Village Council Presidents is dedicated to protecting our natural resources for food security and enhancing the culture and tradition of the Yukon Kuskokwim region, which is becoming an increasingly more difficult task as the world evolves. But there's an opportunity on the horizon that will help be part of the solution to preserve our way of life and provide economic prosperity for residents and future generations.

The Donlin Gold Project will create hundreds of jobs across the YK region. In 2006 and 2008, AVCP passed resolutions in support of the project. The council discussed at length that decision after leaders spent time touring the development site and held numerous meetings with community members and project leaders. Our support stems from our mission of enhancing the lives of area residents. We have stressed to project leaders development can only be done with "maximum input and involvement from Kuskokwim River communities, those closest to the mine and villages throughout the AVCP region."

Because of our subsistence roots and the wealth of natural resources surrounding us, we hold high environmental safety standards for this project; our support is conditional in that project managers must adequately preserve and protect the natural resources as the mine moves forward.

This project could bring further resources to our region, hundreds of local residents stand to gain employment. Not only has Donlin Gold already hired local people but the company has also invested in training YK Delta residents in order to sharpen their skills to earn employment.

As this project moves forward we will work closely with YK residents to further educate them about the process and continue to communicate with project leaders in order to learn the latest developments. Our region has been gifted with a wealth of resources and we look forward to the opportunities in store for us in the future.



Myron Naneng
President, Association of Village Council Presidents





Bill Bieber of Donlin Gold meeting with the Bering Sea Elders Advisory Council.

SHARE YOUR THOUGHTS

Public input is an important part of the permitting and planning process, and we would like to hear from you.

SEND MAIL TO:

Donlin Gold
4720 Business Park Blvd., Suite G-25
Anchorage, AK 99503

PHONE:

(907) 273-0200
(888) 225-7590 toll free

Find us on Facebook at [Facebook.com/DonlinGold](https://www.facebook.com/DonlinGold)

For more information
visit us online at www.DonlinGold.com
or email info@DonlinGold.com

To voice concerns or complaints
about the project contact us at
complaint@DonlinGold.com
or (855) 279-0382

REGIONAL OFFICES

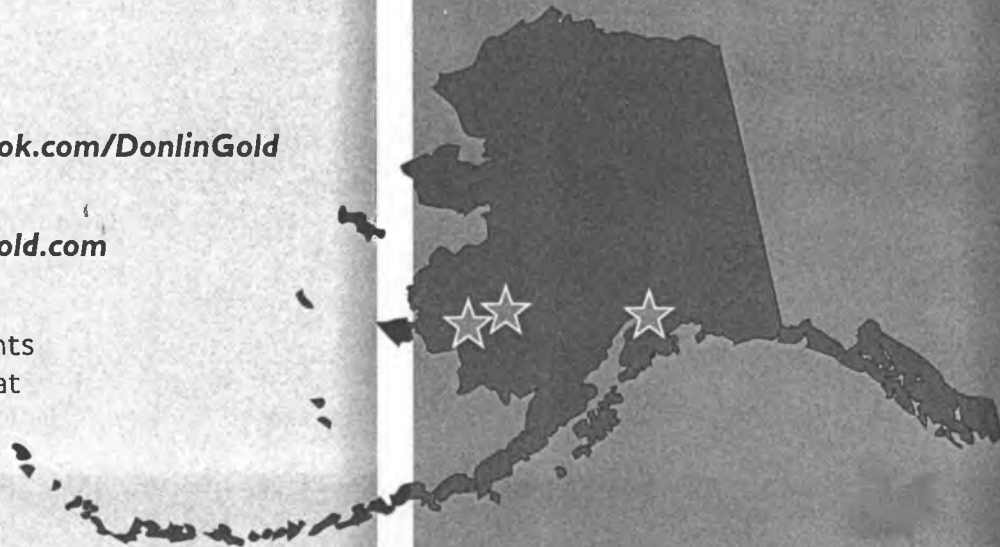
You can visit the Donlin Gold regional office locations Monday through Friday from 8:00 a.m. to 5:00 p.m. We have Yup'ik speaking staff available in our Anchorage and Bethel offices.

BETHEL OFFICE

BNC Building
460 Ridgecrest Drive, Suite 210-A
Bethel, AK 99559
(907) 543-0744

ANIAK OFFICE

Anyaraqmuite (Anyararmiut)
Office Center
Suite 204
Aniak, AK 99557
(907) 675-4416





4720 Business Park BLVD., Suite G-25 • Anchorage, AK 99503 • (888) 225-7590 • www.DonlinGold.com



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DONLIN GOLD IS COMMITTED TO CREATING A SAFE AND ENVIRONMENTALLY RESPONSIBLE MINING PROJECT THAT PROVIDES OPPORTUNITIES FOR FAMILIES IN THE YUKON KUSKOKWIM REGION TO LIVE IN HEALTHY AND PROSPEROUS COMMUNITIES





DONLIN GOLD

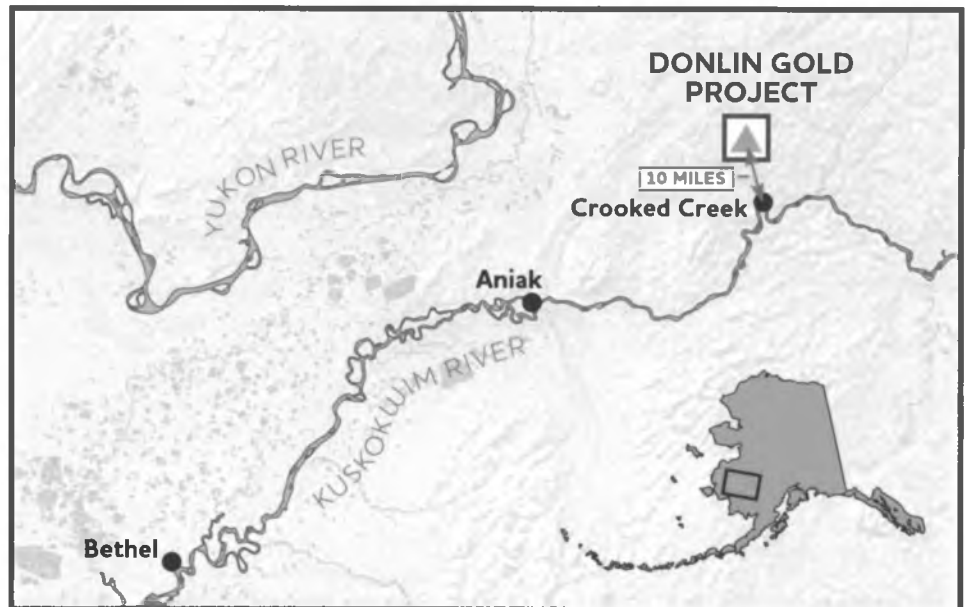
PROJECT HIGHLIGHTS

- After 16 years of conducting environmental baseline studies in the YK region, Donlin Gold started the permitting process for the project in 2012.
- If developed, the mine is estimated to have a 27+ year life, producing approximately 1.1 million ounces of gold annually.
- In the three to four years it would take to construct the mine, it is estimated up to 3,000 jobs would be created.
- While the mine is in operation, it is estimated up to 1,400 jobs would be created, depending on production levels.
- Donlin Gold is committed to hiring residents of the region. In recent years, nearly 90 percent of camp employees have been regional shareholders and descendants.

PROJECT UPDATE WINTER 2014

THE DONLIN GOLD DEPOSIT

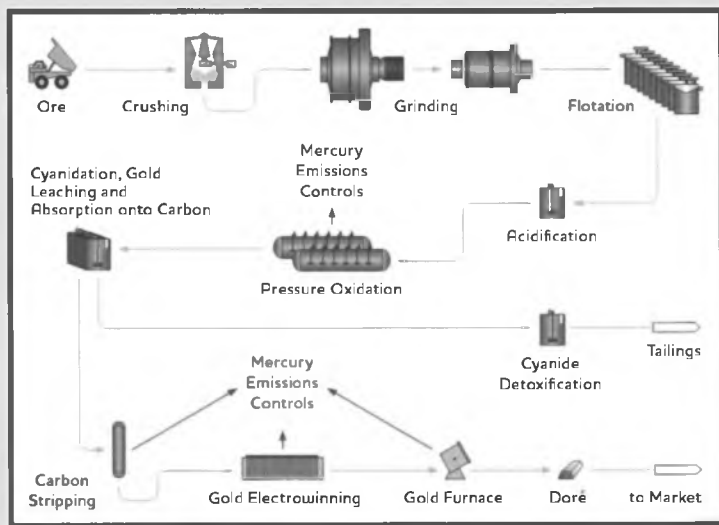
The Donlin Gold project is an undeveloped gold deposit located in the historic Kuskokwim Gold Belt of Western Alaska. Extensive exploration and research estimates the deposit to be 33.8 million ounces. This project is located on Calista Corporation and The Kuskokwim Corporation lands, in the hills approximately 10 miles north of the village of Crooked Creek.



ABOUT DONLIN GOLD

Donlin Gold is equally owned by Barrick Gold U.S., Inc. and NOVAGOLD. Activities at the Donlin Gold project are managed by Donlin Gold, which oversees all aspects of project development.

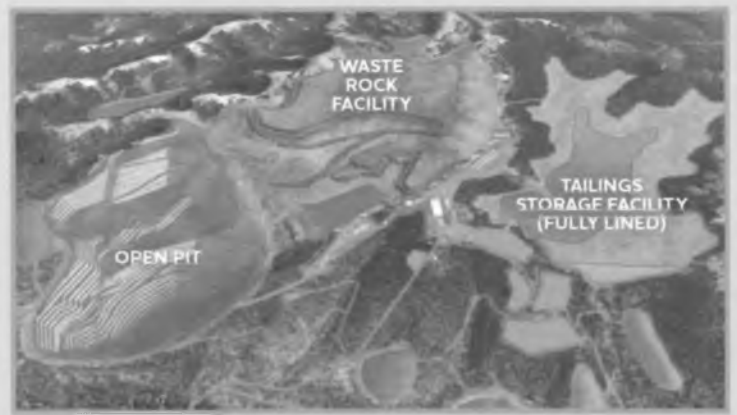
A high percentage of Donlin Gold's employees are shareholders and descendants of Alaska Native Corporations from the Yukon Kuskokwim (YK) region. Donlin Gold relies on regional businesses to support the project. In addition, Donlin Gold makes major contributions to regional scholarship funds and supports many local causes. ■



SIMPLIFIED MILLING PROCESS FLOW CHART

The mineralized rock at Donlin Gold requires multiple steps in processing to extract the gold.

1. The mineralized rock is first crushed and then ground in large mills to create a fine silt-like powder.
2. The gold bearing minerals are then separated from other materials using a process called flotation.
3. A process called pressure oxidation is then used to oxidize the gold bearing minerals.
4. The oxidized material is mixed with a cyanide solution in large tanks inside the mill. The gold dissolves in the cyanide.
5. The dissolved gold is then collected onto activated carbon and the cyanide solution is sent to a cyanide detox unit. Any trace amounts of cyanide left in the tailings would breakdown further under natural conditions.
6. The gold is then extracted from the carbon and refined into gold doré bars. ■



PROPOSED MINE LAYOUT

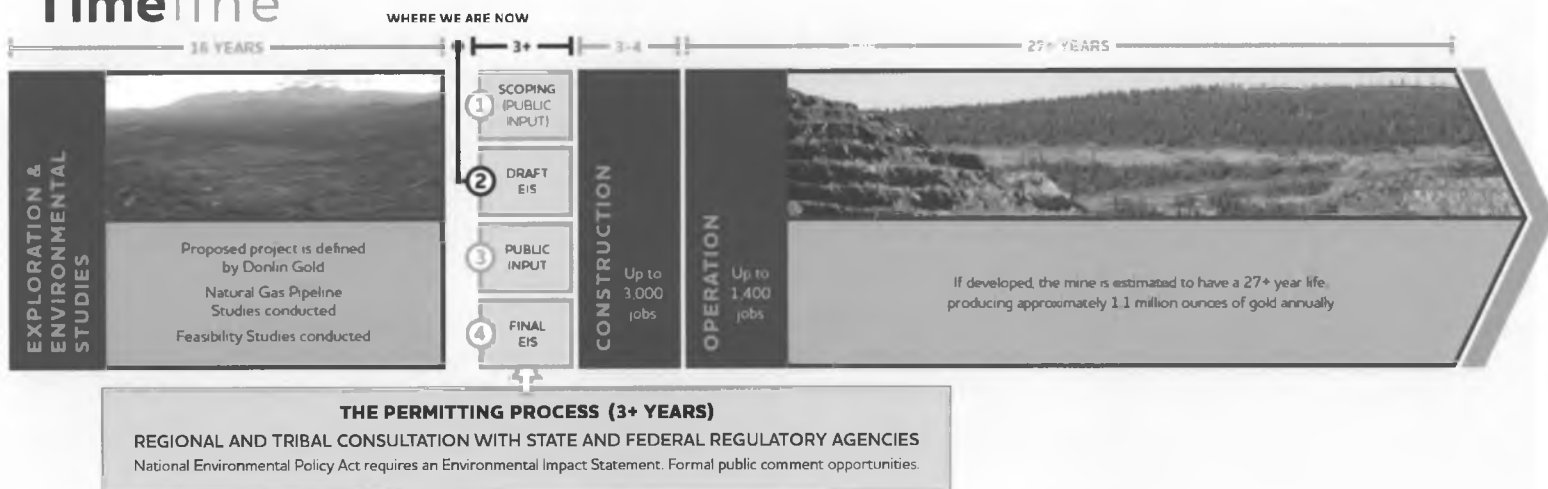
In addition to building access roads, a new airstrip and camp would be constructed along with a port near Bethel and another port site, Jungjuk/Angyaruag, located eight river miles downstream from Crooked Creek village. Other infrastructure and mine facilities would include a power generation plant, mill, waste water treatment plant, conveyor systems, warehouses, labs, offices, truck shop and a buried natural gas pipeline.

If permits are approved, it would take three to four years to construct the project. ■

AQUATIC RESOURCES

The Donlin Gold project has been designed for no discharge of mine-contacted water. Any water that comes into contact with mine facilities would either be used in the milling process or stored on-site. ■

Timeline



RESPONSIBLE DEVELOPMENT

Subsistence hunting and fishing are a way of life for the people of the YK region. Donlin Gold respects this way of life and these resources. Studies of the Kuskokwim River resources and its physical makeup have been conducted throughout the years to provide information for project planning.

Donlin Gold is committed to responsible development. To provide a foundation for responsible development, an extensive environmental baseline study program has been ongoing since 1996. These ongoing studies include:

- fishing activity and river use surveys
- riverbank erosion

- barge wake impacts
- sediment and water sampling
- noise surveys
- wildlife surveys
- mercury baseline
- water management
- air quality monitoring
- subsistence resources
- wetlands mapping
- habitat mapping
- surface water quality monitoring
- ground water quality monitoring

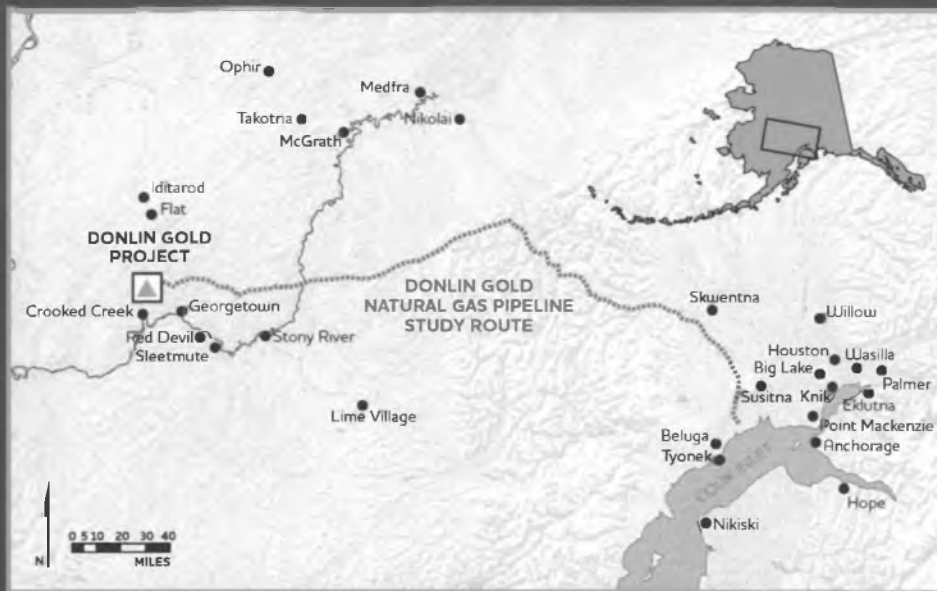
MANAGING MERCURY

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would capture this mercury at multiple stages. Any captured mercury would be shipped off-site to a federally regulated facility.

MANAGING TAILINGS

During the process of gold extraction, wet tailings resembling silt are left over as a byproduct of the milling process. A containment dam engineered to the most stringent design standards would be built to contain the tailings. As an additional safeguard, Donlin Gold's tailings storage facility would have a synthetic liner similar to ones used in newly designed city landfills. ■



POWERING THE PROJECT

The project would require an average load of 157 megawatts of electricity to power the mill and facilities. The power would be produced using on-site gas fired generation.

Donlin Gold is proposing to build a buried natural gas pipeline to supply gas to the project. The 312-mile-long, 14-inch steel pipeline would transport natural gas from the Cook Inlet region to the project site. Above-ground safety check valves would be located every 20 miles or more along the pipeline.

The pipeline would reduce the amount of barge traffic on the Kuskokwim River. Lesser amounts of fuel required primarily for operating heavy equipment at the site would be transported from the Bethel area to a port upriver. The barges, which would also transport supplies, would dock up to two times daily. ■



PROJECT SAFETY

With an award winning safety record, Donlin Gold understands that safety is a commitment to employees and to the community.

As a safety measure, the Donlin Gold project would have an emergency Spill Response Plan ready to implement immediately if there was an accident. The plan includes staged response equipment and trained response crews.

Donlin Gold would work with residents and organizations to identify and find solutions to local concerns. ■

Project Outlook

THE ECONOMIC POTENTIAL

The Donlin Gold project has provided a new source of economic activity in the Yukon Kuskokwim region. If Donlin Gold is developed it would be one of the largest employers in the YK region. Just as there is now, a local hire program would be in place to provide jobs to residents in the region. This project is located on land owned by the Calista Native corporation. The land was selected by Calista during the Alaska Native Claims Settlement Act (ANCSA) process for its development potential. Donlin Gold is leasing the surface and subsurface rights to the land. Thus, royalty revenue is subject to ANCSA 7(i) and 7(j) revenue sharing. ■

Public input is a very important part of our planning process, and we would like to hear from you.

SEND MAIL TO:

Donlin Gold
4720 Business Park Blvd., Suite G25
Anchorage, AK 99503

PHONE:

(907) 273-0200 or (888) 225-7590 toll free

Find us on Facebook at **[Facebook.com/DonlinGold](https://www.facebook.com/DonlinGold)**

For more project information visit us online at **www.DonlinGold.com**

To voice concerns or complaints about the project contact us at **complaint@DonlinGold.com** or **(855) 279-0382**

Visit the Army Corps of Engineer's project website for up-to-date EIS information: **www.DonlinGoldEIS.com**

Submit your profile information in our Talent Bank located in the Careers section on our website. Your Talent Bank profile is not an application for employment, but the information will help us plan and prepare for future workforce development needs.

NEXT STEPS

Donlin Gold has started the permitting process for the project. Nearly 100 permits will be reviewed for approval by federal, state and local agencies. Due to the extensive review process and consideration performed by various agencies, permitting is anticipated to take at least three years.



DONLIN GOLD IS COMMITTED TO CREATING A SAFE AND ENVIRONMENTALLY RESPONSIBLE MINING PROJECT THAT PROVIDES OPPORTUNITIES FOR FAMILIES IN THE YUKON KUSKOKWIM REGION TO LIVE IN HEALTHY AND PROSPEROUS COMMUNITIES