For 20 years Donlin Gold has been conducting baseline studies, holding information meetings in villages throughout the region and gathering insight from stakeholders in an effort to develop an environmentally responsible project that addresses concerns of stakeholders.

Part of Donlin Gold’s effort to develop an environmentally responsible project includes taking the necessary steps to minimize impacts to wetlands and water bodies. While Donlin Gold cannot ensure all impacts will be avoided, Donlin Gold can offset potential impacts in several ways, including funding mitigation banks and through permittee-responsible mitigation (PRM) projects.

The methods used to offset impacts from wetlands and waters bodies will be described in Donlin Gold’s Compensatory Mitigation Plan (CMP). Compensatory mitigation is defined as unavoidable impacts from a project that are balanced by providing aquatic resource restoration, establishment, enhancement and in certain circumstances, preservation of wetlands and water bodies.

The people of the YK region have a deep knowledge of their land and are best qualified to identify important environmental issues that are affecting the health of the YK region watershed. Therefore, Donlin Gold is reaching out to communities to identify potential environmental projects that may improve wetlands and water bodies that Donlin Gold could consider funding as a PRM project.

Our current Draft CMP plan identifies four categories of possible PRM projects:

- Pilot Recycling Plans – Funding for projects that encourage the removal and recycling of derelict goods, and training local residents and government on best practices to operate landfills. Examples of potential projects: provide backhaul support; provide collection containers; provide training for preparing recyclable materials for shipment; etc.
- Village Sanitation Projects – Funding to improve waste management practices or resolve landfill issues. Examples of potential projects: improve soil cover on abandoned landfills; provide training for separating hazardous waste from municipal waste; support backhaul of hazardous waste; etc.
- ATV Trail Hardening Projects – Funding to improve degraded trail segments by hardening them using interlocking porous mats type systems; etc.

(continues on back page)
Public input is a very important part of our planning process, and we would like to hear from you.

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Find us on Facebook at 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

The public comment period on the Donlin Gold Draft Environmental Impact Statement (DEIS) is nearing a close. Your input is important and can help shape the development of Donlin Gold.

Since the public comment period began last November, Donlin Gold has continued communicating key project details, informing stakeholders of public comment meetings and encouraging people to send public comments to the Corps, whether it be by email, letter or offering comments at one of the Corps’ 17 public meetings.

This newsletter includes answers to some of the common questions Donlin Gold often receives about the project. Additional information can be found on our website (www.DonlinGold.com) as well as the Corps’ website (www.DonlinGoldEIS.com) where an executive summary on the DEIS is available, as well as more detailed information in DEIS chapters.

Donlin Gold values transparency, which is why we will continue to inform the YK region on project details and potential job and training opportunities. I thank everyone who took the time out of their busy schedules during the public comment period to provide input on the Donlin Gold DEIS, and I encourage those who have not commented yet to do so.

I also want to bring your attention to an article outlining opportunities for communities to identify potential environmental mitigation projects in their respective areas. Donlin Gold will have a Compensatory Mitigation Plan put in place to offset potential wetland impacts. We are looking for projects throughout the YK region that would qualify to meet our mitigation requirements. We welcome your suggestions for environmental projects that will also help address your community’s needs.

I want to close by giving a shout out to Iditarod mushers. As one of the principal sponsors of the Iditarod, Donlin Gold is deeply committed to the success of the race and the mushers. The tenacity and determination of mushers to overcome obstacles is truly inspiring. Donlin Gold congratulates all who competed in the 2016 Last Great Race, with a special congrats to our three YK region mushers: Pete Kaiser of Bethel and Mike Williams Jr. of Akiak.

Stan Foo
General Manager
Donlin Gold
Through the culmination of 20 years of extensive exploration, development and environmental baseline studies, Donlin Gold designed a project that is compatible with residents’ subsistence way of life while providing opportunities to preserve it. Keeping local residents engaged and informed and listening has been a fundamental value of Donlin Gold since the start. Consistent community outreach and involvement has helped shape the project and will continue to ensure a balanced development plan that brings long-lasting benefits to the region while upholding a commitment to responsible development.

In Donlin Gold’s continued efforts to inform stakeholders about the project, we have provided answers in a compilation of commonly asked questions.

**SUBSISTENCE**

**How will subsistence be affected?**
Since the mid-1990s, Donlin Gold has been conducting sampling and studies on the environment, and has met with residents throughout the YK region in more than 65 villages to listen to and understand their concerns regarding subsistence. In response, Donlin Gold has designed the project to minimize possible impacts to subsistence activities. The following are examples:

- Mine site activities are limited to three drainages in the Crooked Creek watershed. We will monitor air, water and fish to ensure that they meet regulatory agency standards for protection.

- In regards to barging following consultation with community input throughout the region, Donlin Gold incorporated a buried natural gas pipeline into the project design. This reduced the annual diesel barged on the river from 120 million to 80 million gallons.

- With respect to the buried pipeline, the land will be reclaimed such that it should not materially impact the wildlife migration pattern.

- Additionally, the increased household income due to jobs will offset high heat, gas and grocery prices in the villages, as well as provide income to fund the fuel and supplies needed for subsistence activities.

**BARGING**

**How will fuel and cargo be barged?**
Fuel and cargo will be moved using a single tug pushing four combined barges; referred to as a barge-tow. Together, the four barges will be 330 feet long and 88 feet wide. As a comparison, the AK Provider, a barge that was regularly used on the Kuskokwim, is 250 feet long and 70 feet wide. The barges and tugs will be designed for shallow draft, and built specially for use on the Kuskokwim. In addition, the fuel barges will be double-hull design to provide protection against spills. Each fuel barge also will have on-board spill containment equipment.

**How many barge-tow trips will occur each day?**
Donlin Gold will use approximately one barge-tow per day to transport the cargo, and one barge-tow per day to transport diesel from Bethel up the Kuskokwim River to the Jungjuk port site during the summer shipping season. Less than two ocean barges downriver from Bethel per week will be required.

**What will be done to prevent barges from getting stuck?**
Each year, the navigation channel will be carefully surveyed and clearly marked. During the shipping season, barge tracking and communication systems will be used to monitor vessel locations. Monitoring systems will also be put in place to forecast water depth. Barges will only be loaded to the draft available on the river at the time of the trip.

**What is the process if a barge gets stuck?**
1. Separate and secure the barges still afloat.
2. Evaluate river conditions and see if rising water will float the stranded barge.
3. If not, and the conditions are suitable, attempt to pull the stranded barge free.
4. If this is not an option, bring in an empty barge and transfer enough cargo to refloat the barge.

**What will be done to prevent conflicts between barges and fishing?**
A communication program will be developed to keep communities informed of the schedule and status of barging activities. Barge operators will be trained to observe and communicate with river users to avoid displacement of subsistence fishing.

**INFRASTRUCTURE**

**How many ports are involved and where are they located?**
The project would have two ports, one located 30 miles from the project site, at Angyaruqa (Jungiuk), and the other located near Bethel. The Bethel port is located in an area already used for industrial activity.

**Why has a pipeline been proposed?**
To reduce the amount of diesel barge traffic on the Kuskokwim River, a 14-inch diameter, 315-mile-long, buried natural gas pipeline is proposed as the primary source of fuel for the generation of power at the mine site. Natural gas is environmentally cleaner burning than diesel.
What impact will the pipeline have on the Iditarod trail?
Very little, as the pipeline route was designed to minimize impacts to the Iditarod trail. The pipeline will be buried and would be in the same location as the Iditarod trail for less than five miles.

What infrastructure would be necessary to build a pipeline?
Roads and stream or river crossings and pipeline storage yards would be necessary during pipeline construction. These features would be temporary and would be reclaimed once construction of the pipeline is complete.

Can others access natural gas from the pipeline?
The pipeline is what is considered “open access” meaning that other users can bring gas through it. Donlin Gold will only use about 50 percent of the pipeline’s capacity for its use.

How will the pipeline be monitored?
Monitoring, inspection and maintenance via helicopter access, cathodic protection and state-of-the-art leak detection systems will all be used. Regular inspections include the use of “smart pigs” which are machines that are placed into and moved through the pipeline and have sensors that can detect abnormal conditions that require attention. For Donlin Gold’s pipeline, check valves would be located a minimum of every 20 miles. Among the advantages of a natural gas pipeline relative to a diesel or petroleum product pipeline, is the fact that in the very unlikely event of a rupture, natural gas rapidly dissipates into the air, unlike petroleum products, which remain in soil and water until cleaned up.

ENVIRONMENT

How will Donlin Gold reduce possible mercury air emissions?
At the Donlin Gold mine, mercury air emissions released during the milling process would be captured at multiple points. Donlin Gold would install and operate state-of-the-art mercury emission controls to capture mercury before it is released and to ensure that air emissions are well below EPA standards for mercury. Captured mercury would be contained in specially designed containers and shipped off-site to a federally regulated facility.

How will cyanide be handled?
The Donlin Gold project is designed to comply with the state and federal regulations and 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 will be shipped to the mine site in sealed steel tanks that represent state-of-the-industry practice. The cyanide will be dissolved into solution at very low concentrations for use in gold extraction from the ore inside the mill building. The tailings from gold extraction will be detoxified to reduce the amount of cyanide. Any trace amounts of cyanide left in the tailings would breakdown further under natural conditions.

What is the likelihood of a cyanide spill?
The likelihood of a cyanide spill is very low, as the sodium cyanide would be transported as solid briquettes and in specially designed containers and its use will be contained entirely within the secure mill facility. Donlin Gold’s cyanide management will be subject to audit on a periodic basis with findings available for public review.

What has Donlin Gold done in an effort to monitor water quality?
Donlin Gold has gathered surface water quality data from 2003 and 2014. The data has been submitted to the regulatory agencies and is available for review.

What measurements will be taken to reduce possible water contamination?
Surface waters will be diverted around the mine site to the extent possible to avoid contact with mined material. Any water that does come into contact with mine facilities would be stored on site and used in the milling process or treated with a state of the art water treatment plant to meet regulated water quality standards protective of humans and fish. The treated water will be discharged in the summer to Crooked Creek.

What precautions have been taken to implement a strong and safe tailings dam?
• The dam is designed to withstand earthquakes, meeting or exceeding Alaska Dam Safety Program and federal agency safety factors and guidelines. The design is based on the expected impacts of the maximum potential earthquake in the region. This information was determined by documenting all of the faults in the area and the actual occurrence of historical earthquakes in Alaska. We also looked at how similar dams have actually been affected by the full range of potential earthquake conditions.

• The dam footprint will be excavated to bedrock and the dam itself will be constructed of rockfill.

• The dam will be constructed via downstream construction methods. Downstream dams are considered the most stable and are considered the most suitable in seismically active areas, as well as the most suitable for retaining water.

• The plan for removing water from the tailings storage facility at the end of the mine’s life minimizes the long-term risks.

• The dam will be regularly inspected and monitored for safety and stability. Independent, third-party engineering reviews will also be conducted regularly.
What will Donlin Gold do to reclaim the land once the mine is no longer in operation?
Upon completion of mining activity, the buildings and equipment would be taken apart and removed. The waste rock facility and tailings storage facility would be covered and re-vegetated. The pit would begin to fill over a long period of time; approximately 50 years. The water quality would be monitored and pit water would be treated in a water treatment plant to meet water quality standards before it is discharged.

Financial assurance will be proposed by Donlin Gold and approved by the state prior to the commencement of construction to ensure that funds are in place to reclaim the land and treat water following the operating period. The financial estimates on which the assurance is based are reviewed at a minimum of every five years to ensure that the financial assurance continues to be sufficient. Monitoring will continue post-closure to ensure that all environmental standards are met.

How would construction in the area affect fish populations?
Best management practices (BMPs) to minimize erosion and protect water quality and fish habitat would be put in place to prevent impacts to fish populations in the Crooked Creek area from mine construction and operation. Similarly BMPs would be used during construction of the port, road and pipeline.

EMPLOYMENT

How many will be employed at Donlin Gold?
It is estimated Donlin Gold will provide up to 3,000 jobs during the three-to-four-year construction period, and between 600 to 1,200 jobs during its 27-year mine life.

Who has hiring priority?
Agreements between The Kuskokwim Corporation and Calista Corporation allot shareholders and descendants hiring preference. Donlin Gold is also committed to local hire, with a history of a 90 percent onsite Calista shareholder and descendent workforce.

If you have additional questions, Donlin Gold encourages you to attend our informational meetings hosted throughout the year across the YK region. You can also submit questions or comments at www.DonlinGold.com/contact-us.

More information about the project, including an informative executive summary of the draft environmental impact statement, is available at www.DonlinGoldEIS.com.
IN THIS NEWSLETTER: DONLIN GOLD PROJECT Q&A

Donlin Gold's Stan Foo, Jan Halstead and Kurt Parkan smile for a photo with 5th place finisher, Pete Kaiser and his supporters, at the end of the Iditarod trail.

PRESERVING WETLANDS AND WATER BODIES IN YOUR COMMUNITY (continued from front cover)

- Self-Nominating Projects Using Village Outreach – Funding for environmental projects nominated by local residents that contribute to the health of the Kuskokwim watershed. Examples of potential projects: trail improvements; dock improvements; site clean ups; bulk fuel off-loading improvements; small vessel fueling facilities; fishery and wetlands restoration; etc.

Donlin Gold encourages those who have project suggestions within these categories, or other potential projects in your community, to contact Donlin Gold’s Enric Fernandez. With knowledge of watershed projects that are of top priority to communities, Donlin Gold can potentially incorporate project requests into Donlin Gold’s CMP. The CMP will then be submitted to the U.S. Army Corps of Engineers for review and approval. Upon approval, Donlin Gold would fund prioritized watershed and water body projects identified as most important in the region.

Donlin Gold encourages communities in the YK region to participate and submit wetland and water body project suggestions to Donlin Gold by May 20, 2016. Suggestions will be accepted after this date, but chances of reviewing the potential project may be limited.

Submit Suggestions or Questions To:
Enric Fernandez
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Or mail to:
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Anchorage, AK  99503

Donlin Gold looks forward to hearing the YK region’s requests and is committed to responsible development and listening to the voices of the region.

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