

Mining Works for Alaska



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Council of Alaska Producers
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Red Dog and Greens Creek started operating in 1989



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Poker Flats



**11 Years
Later**

Alaska Mining Activity in 2013



- >5,000 direct jobs
- \$100,000 average annual wage
- Residents of 80+ communities
- \$157 million to local/state governments
- \$144 million to AK Native corporations



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Donlin Gold: 600–1,400



Livengood: 450



Chuitna: 300–350



Pebble: 800–1,000

Potential new mining jobs

Tight Investment Climate

THE WALL STREET JOURNAL.

Miners Pressured by Falling Metals Prices
11/10/2014

Mining Stocks Hit Hard in 2013

- HSBC Global Mining Index *dropped* 23%
- Dow Jones *rose* 27%

Record write downs for top 40 mining companies*

- \$40 billion (2012)
- \$57 billion (2013)

*PWC: Mine 2014: Realigning Expectations, June 2014



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Exploration Spending Declines

Globally*:

- \$22 billion (2012)
- \$15 billion (2013)
- \$11 billion (2014 estimate)

Alaska**:

- \$365 million (2011)
- \$335 million (2012)
- \$176 million (2013)
- **\$80 million (2014 estimate***)**



*SNL Metals 10/2014, **ADNR Special Reports 68 & 69;

***Petroleum News 11/2/2014



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Fraser Institute Survey 2013

Pure Mineral Potential

1. **Alaska**
2. Western Australia
3. Nevada
4. Chile
5. British Columbia

Overall top 5

1. Western Australia
2. Nevada
3. Newfoundland/Labrador
4. Finland
5. **Alaska**



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Efficient Permitting.....?

Hecla Greens Creek Tailings Expansion Permitting Milestone	Completion
NEPA process initiated	September 2010
Final EIS and Record of Decision	December 2013
Waste Management Permit Renewal & Reclamation Bond Update	September 2014
ACOE 404 permit	??????

Should permitting an **18** acre expansion of an **existing** tailings facility take five years?



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Wishbone Hill



Pebble



EPA Challenges

- Pre-emptive 404 veto process
- Waters of the U.S.
- Escalating wetlands mitigation costs
- Power plant emissions regulations



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Why we need mining



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