Ambler Mining District Access

State of Alaska
Department of Transportation & Public Facilities
Northern Region

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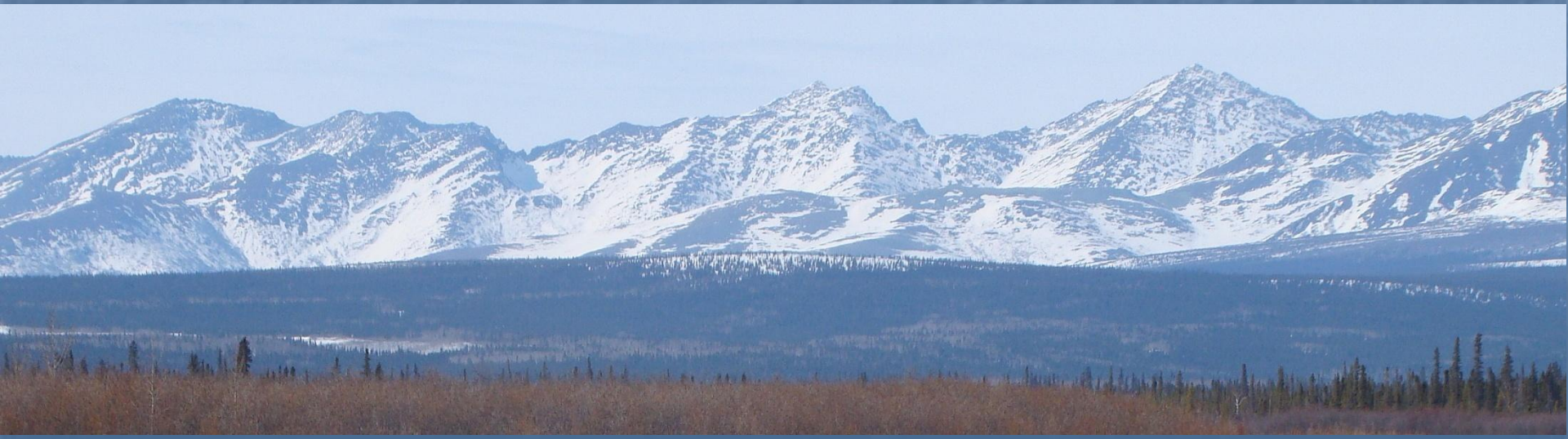


View from Ambler

Project Purpose

Evaluate potential transportation corridors serving the Ambler Mining District for the purpose of providing all season access for exploration and development of the mineral resources within this District.

State Funded Project: $4M Appropriation in FY2011 Capital Budget

Includes evaluating road, rail, barge and airport networks. Also address critical infrastructure needs for natural resource development, such as power and communications

Consider Engineering, Environmental and Economics

Initial overview studies: Western Alaska Access

DOT&PF is just beginning this project

Stages of Project Development:

Ambler Mining District Access ➔

1) Reconnaissance Level Investigations
2) Preliminary Engineering/Environmental Work
3) Final Design
4) Construction

Successful Project Components:

Strong Purpose and Need

Why is the project needed? Are there multiple purposes for a Transportation Corridor that should be considered?

Logical Termini

What is the logical beginning Point? What is the logical destination?

Public/Stakeholder Support

Is there public support for the project? Stakeholders support?

Economics

Does it make sense?

Resources in the Ambler Mining District

Project Purpose

All season access for exploration and development of the mineral resources within the District - optimize the transportation corridor to facilitate access to areas of high potential.

- Western Alaska Access Planning Study
  -Resource Value Modeling (Chuck Hawley)
- Alaska Division of Geological and Geophysical Surveys
- Industry
- Landowners

Project Study Area:
Past Studies / Logical Termini

1972 Alaska Transportation Corridor Study

- Prepared for Federal Highway Administration – US Department of Transportation
- Tudor – Kelly – Shannon
- To determine the Engineering Feasibility of Transportation Corridors through the Interior of Alaska, 720 miles of Railroad and 187 miles of Highway.
- Detailed study including route maps, grade estimations, material quantity calculations and cost estimates.
- Significant Field Survey and Geotech effort

1981 Western Arctic Alaska Transportation Study

- Prepared for State of Alaska, DOT&PF
- Louis Berger & Philleo
- Transportation Study of region encompassing the North Slope and Western Alaska.
- Evaluates potential routes and multiple modes of transportation

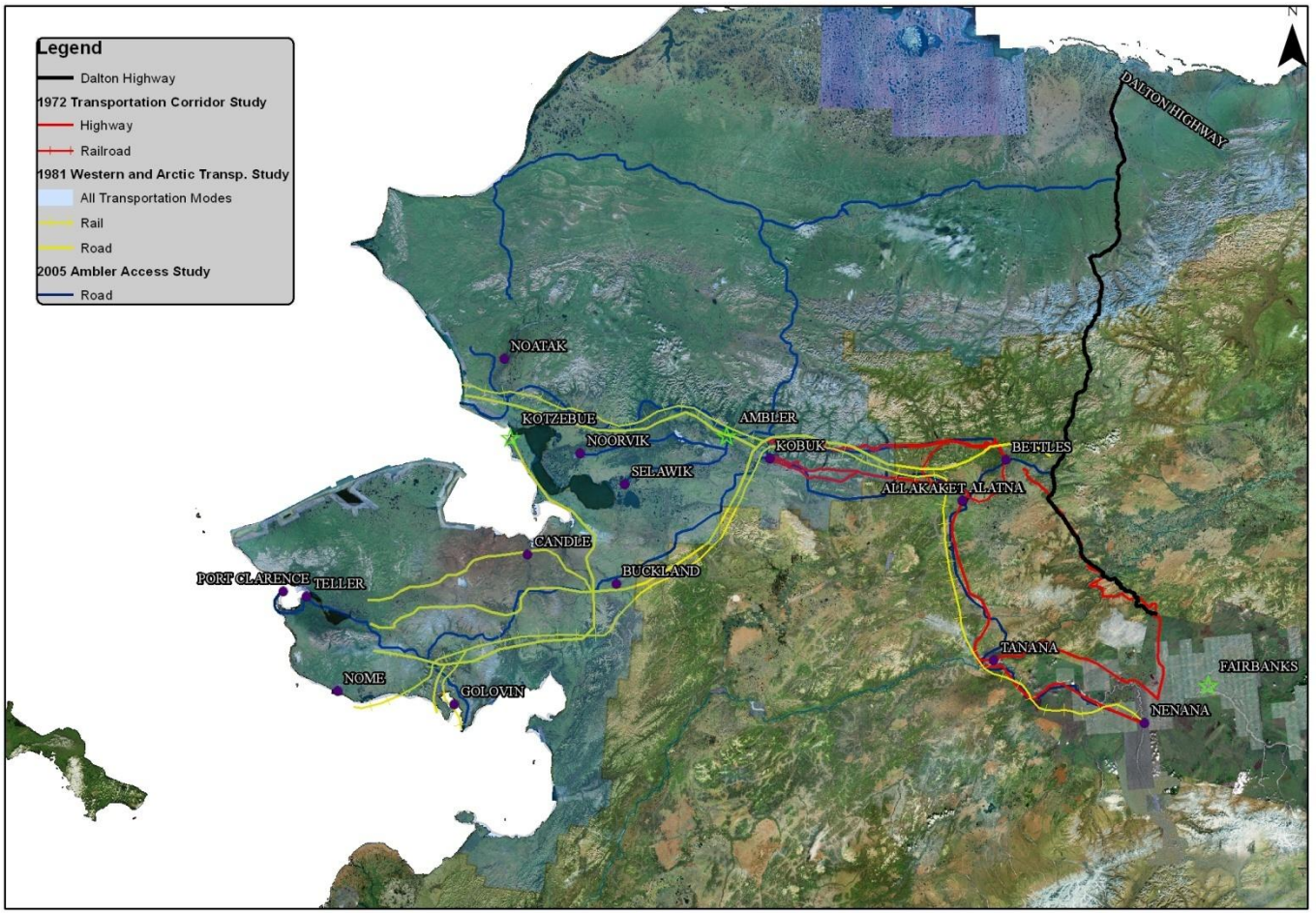
ANILCA Title II:

"Congress finds that there is a need for access for surface transportation purposes across the Western (Kobuk River) unit of the Gates of the Arctic National Preserve (from the Ambler Mining District to the Alaska Pipeline Haul Road) and the Secretary shall permit such access in accordance with the provisions of this subsection"

2005 Ambler District Access Study

- Prepared for NovaGold Alaska, Inc.
- NANA/DOWL Engineers – CH2MHILL
- Evaluate transportation access alternatives to the Ambler District including road, rail, and air.
- Evaluates potential routes

Project Study Area:
Past Studies / Logical Termini



Public / Stakeholder Support

- Communities within the Ambler Mining District:
  - Ambler, Shugnak, Kobuk
- Other Communities could be affected
  - Route Selection/Subsistence Areas/ Culturally important areas/etc.
- Native Corporations
- Regional Govt's:
- Other Local/Community Groups:
- State of Alaska Agencies
- Federal Agencies
- Land Owners:
- Industry

Kobuk

Community Outreach

- Beginning with upper Kobuk communities of Ambler, Shugnak, and Kobuk
  - Public Meetings are scheduled for the first week in November to introduce the project.
  - Public Meetings will continue throughout the project on a regular basis to keep communities informed and bring them along
    - Generally, a meeting in the spring to discuss potential field activities and a meeting in the early winter to inform communities of the results of field activities.
    - We work hard to avoid meetings during times when folks are not available (Hunting, AFN, etc)
- Northwest Arctic Borough Planning Committees
  - Working with the Borough to utilize local planning committees in each Village.
- Subsistence Advisors/Traditional Knowledge
  - To fully address subsistence and cultural concerns, we would like to include community representatives as advisors during field work activities, as well as in overall project discussions and regional impacts.
- Public Meetings in Kotzebue

Proposed Project Approach/Costs/Schedule

- Phase 1: Project Start Up
  - Completed by August 13, 2010
  - Cost: $75,000
    - Establish Study Area
    - Base Maps for Environmental and Design Work
    - Electronic Library
    - Develop RFP Scope
    - Stakeholder List/Outreach Program
- Phase 2: Corridor Scoping
  - Completed by December 1, 2010
  - Cost: $425,000
    - Initial Design Criteria
    - Baseline Cost Estimates
    - Alignment Review
    - Preliminary Material Site/Geotechnical Reconnaissance
    - Preliminary Hydrology Reconnaissance
    - Preliminary Environmental Review
    - Industry Coordination/Stakeholder discussions
    - Public Meetings
- Phase 3: Transportation Corridor Development
  - Completed by September 1, 2011
  - Cost: $1,500,000 to $3,000,000
    - Detailed Design Criteria
    - Alignment Refinement
    - Material Sources
    - Subsurface Soil Conditions
    - Hydrology
    - Aerial Photography/LIDAR data acquisition
    - Environmental
    - Continued Industry Coordination/Stakeholder Discussions/Public Involvement
- Phase 4: Project Reporting
  - Completed by December 1, 2011
  - Cost: $400,000
    - A Transportation Corridor Analysis will be prepared summarizing the results of the investigations. All data collected will be integrated into a GIS database for the project, which can be shared with agencies, industry, and the general public. A general design concept will be presented addressing the multi modal approach in necessary, and include alignment sheets, drainage structure concepts, material site identification, and cost estimates.
- Phase 5: Economic Analysis/Financial Plan
  - Completed as required
  - Cost: $100,000
    - If determined necessary, the Department may pursue further economic studies (including an NPV analysis) and develop a financial plan to evaluate project funding options.

Thank You