



October 25, 2024

James Plosay
Program Manager – Program Manager
Air Permits Program
Division of Air Quality
Department of Environmental Conservation
P.O. Box 111800
Juneau, AK 99811-1800

Subject: **Donlin Gold LLC**
Air Quality Control Construction Permit AQ0934CPT02
First Extension Request

Dear Mr. Plosay:

Donlin Gold LLC (Donlin Gold) requests an initial 18-month extension for the construction start deadline specified in Section 1.2 of Air Quality Control Construction Permit (AQCP) AQ0934CPT02 (Air Permit).

Background

Donlin Gold has proposed the development of an open pit, hard rock gold mine in southwest Alaska (Project). The Alaska Department of Environmental Conservation (ADEC) issued the Air Permit to Donlin Gold on July 1, 2023. The permit authorizes the installation of twelve (12) ultra-low sulfur diesel/natural gas-fired power generation units, boilers, emergency generators, incinerators, and other equipment. Condition 1.2 of the Air Permit requires Donlin Gold to commence construction of the authorized facilities within 18 months from the date of the permit, i.e., December 31, 2024 unless granted an extension in writing.

Pursuant to 40 Code of Federal Regulation (CFR) 52.21(r)(2), adopted by reference in 18 Alaska Administrative Code (AAC) 50.040, the ADEC may extend the 18-month period upon a satisfactory showing that an extension is justified. As described in the U.S. Environmental Protection Agency's (EPA) January 31, 2014 Guidance on Extension of Prevention of Significant Deterioration (PSD) Permits under 40 CFR 52.21(r)(2), relevant factors in determining whether an extension of the construction deadline is justified include: ongoing litigation over the PSD permit, natural disasters that directly affect the facility, significant or unusual economic impediments, and/or delays in obtaining other required permits.

Justification for First Extension Request

The Donlin Gold project is in a remote region of Alaska. It is a large undertaking that involves the permitting of a power plant, mine site and support facilities, including a port and access road, and a 315-mile natural gas pipeline. Donlin Gold has made substantial progress to secure the required federal and state permits, including:

- Completed a NEPA review that began with scoping in 2012, issuance of the draft Environmental Impact Statement (EIS) in 2015; completion of a 6-month public comment period in May 2016; and publication of the final EIS on April 27, 2018.
- Received our water discharge permit from ADEC on May 24, 2018. A renewal application was submitted on November 21, 2022. This permit is on administrative extension pending review and reissuance by ADEC.
- Received a special permit for a strain-based design for the natural gas pipeline from the US Department of Transportation Pipeline and Hazardous Materials Safety Administration on June 5, 2018.
- Received an ADEC CWA Section 401 certificate of reasonable assurance on August 10, 2018.
- Received the first Joint Record of Decision (JROD) issued under EO 13807 (One Federal Decision policy) on August 13, 2018.
- Received our Clean Water Act Section 404 and Rivers and Harbors Act Section 10 permit from the US Army Corps of Engineers (USACE) on August 13, 2018.
- Received our Right-of-Way (ROW) grant offer from the Bureau of Land Management (BLM) on August 13, 2018.
- Received twelve (12) Title 16 permits for the mine site, access road and port from the Alaska Department of Fish and Game (ADF&G) on August 30, 2018.
- Received a Waste Management Permit for the mine and associated facilities from ADEC on January 18, 2019. A renewal application was submitted on September 18, 2023. This permit is on administrative extension pending review and reissuance by ADEC.
- Received a Reclamation Plan Approval and Approval of Financial Assurance from the Alaska Department of Natural Resources (ADNR) on January 18, 2019. A renewal application was submitted on September 18, 2023. This permit is on administrative extension pending review and reissuance by ADNR.
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- Received a right-of-way lease from the ADNR State Pipeline Coordinators Office on January 17, 2020.
- Received a series of limited entry authorizations from ADNR for a fiber optic cable ROW, the port facility on the Kuskokwim River, private access road, and airstrip along with establishing 7 material sites on state land near the transportation facilities on February 6, 2020.
- Received twelve (12) Water Rights for the mine and Jungjuk (Angyaruq) port facility on April 26, 2021.

- On January 20, 2023, Donlin Gold received 2 land entry authorizations from ADNR for the establishment of public access around the mine site core operating area, necessary to enact the Public Access Control Plan.

Despite these permitting accomplishments, Donlin Gold will not be positioned to commence construction by December 31, 2024, as required by the Air Permit. Before the Donlin Gold Board of Directors will issue a construction decision for the Project, Donlin Gold needs to obtain additional permits and authorizations and resolve ongoing disputes. These include the following key permits and authorizations:

- The Kuskokwim Corporation (TKC) and Calista need to issue public easements to ADNR and BLM. Afterwards ADNR and BLM will temporarily close and terminate respectively public access within the mine site core operating area. These steps are required for Donlin Gold to enact its Public Access Control Plan for the mine site as required by the Air Permit. Donlin Gold is working with these entities to advance this easement relocation process.
- The ADNR Water Resources Division needs to issue Dam Safety Approval to Construct Certificates (Dam Safety Certificates) for 7 proposed jurisdictional dams, which are essential to mine operations, before construction of these structures can begin. The Dam Safety Certificates involve significant engineering work, supported by geotechnical drilling and data gathering field programs. Donlin Gold completed the field work in 2023 and submitted the Preliminary Design Package to ADNR on June 17, 2024. We are currently initiating preparation of the Detailed Design Package for submittal in 2026.
- Donlin Gold is working to resolve ongoing appeals of permits and other authorizations issued for the project by the state of Alaska, the USACE, and the Bureau of Land Management, including:
 - ADNR Pipeline ROW Appeal - The Pipeline ROW was appealed to the Alaska Superior Court, which upheld ADNR's decision in May 2023. The appeal was then elevated to the Alaska Supreme Court. Oral arguments are scheduled for November 12, 2024.
 - Water Rights Appeal - The Water Rights were appealed to the Alaska Superior Court, which upheld the ADNR's decision in September 2023. The appeal was then elevated to the Alaska Supreme Court. Oral arguments are scheduled for November 12, 2024.
 - CWA Section 401 Certification Appeal - ADEC and the Office of Administrative Hearings (OAH) issued a decision in August 2023 upholding ADEC's CWA Section 401 Certification. This was appealed to the Alaska Superior Court. Oral arguments were completed August 30, 2024, and we are currently waiting for a decision from the court.
 - Federal Litigation - The Donlin Gold EIS, JROD, the Clean Water Act Section 404 and Rivers and Harbors Act Section 10 permit issued by USACE, and the Pipeline ROW Grant issued by the BLM were appealed on April 5, 2023, in Alaska's Federal District Court. The summary judgment briefs were filed between February 16, 2024, and June 11, 2024. Oral argument was held on June 24, 2024. The court issued a decision on September 30, 2024, upholding the federal agencies' analysis on two of the three issues raised. Additional work and time will be required to resolve this appeal.

Donlin Gold cannot commence construction until it completes these approval processes. It will be critical to obtain these approvals to put Donlin Gold in a position to finalize engineering designs, secure project financing, procure necessary equipment, hire contractors, and mobilize the necessary equipment, materials, and manpower resources to commence construction. For a project of this size and remote location, these steps require additional time and represent a significant expense to complete.

Considering the timeframes associated with the outstanding authorizations, pending appeals and the time needed to transition from permitting to construction, Donlin Gold requests a first 18-month extension, allowing until June 30, 2026, to commence construction of the permitted sources. Donlin Gold believes an extension of the construction deadline is justified and reasonable given the complexity, lengthy permitting schedule, significant infrastructure requirements related to the project's remote location, and unusual economic challenges of constructing the Donlin Gold project.

We look forward to working with ADEC through review and consideration of this extension request and new AQCP application. Please contact me at (907) 980-2930 or efernandez@donlingold.com should you have any questions or require additional information.

Sincerely,



Eric Fernandez
Interim General Manager

Cc:

Aaron Simpson, ADEC

Brittany Crutchfield, ADEC

Chris Eckert, Donlin Gold

Kevin Lewis, Air Sciences

James Hyun, Project Coordinator, Alaska OPMP