



AMDIAR - AMBLER ROAD

CURRENT STATUS

July 2015

AIDEA has been conducting outreach to communities in the study area, continuing baseline environmental studies to support the permitting process, and conducting pre-application meetings with State agencies. AIDEA has selected a third-party contractor to assist the U.S. Army Corps of Engineers with preparation of an Environmental Impact Statement (EIS) under the Alaska National Interest Lands Conservation Act (ANILCA). Per ANILCA, consolidated permit applications for relevant federal agencies have been drafted.

PROJECT DESCRIPTION

The Ambler Mining District Industrial Access Road (AMDIAR) project is a Roads to Resources project that proposes preparation of an Environmental Impact Statement (EIS) for an approximately 200-mile industrial access road from the Dalton Highway to the Ambler Mining District in northwest Alaska. The Ambler Mining District has extensive mineral resources, including copper, silver, gold, lead and zinc. It has been characterized as one of the largest undeveloped copper-zinc mineral belts in the world. The area has been explored for decades, but development of the mineral resources has been limited due to a lack of transportation infrastructure for mine construction and operation.

The AMDIAR project could provide surface access to the Ambler Mining District and enable further exploration and development of the area's rich resources, providing for economic development in rural parts of northern Alaska. AIDEA is moving the project through the environmental review process with the goal of forming a Public-Private Partnership to finance, construct, operate and maintain the facility. The project design is modeled on AIDEA's successful Delong Mountain Transportation System (DMTS), which includes an industrial access road from the Red Dog Mine to the DMTS port. AIDEA worked with private industry to develop the DMTS industrial access road and the costs of road construction were paid back



through tolls on road use.

AMDIAR could provide access to the Ambler Mining District through Gates of the Arctic National Preserve making use of special provisions in ANILCA that allow this type of road to cross this preserve to reach the Ambler Mining District.

BUDGET/FINANCE

AIDEA, as a development finance authority, would develop the access road as a public-private partnership in which AIDEA funds and bonds would be used in conjunction with private capital for the construction and operation of the road. As with the Delong Mountain Transportation System, mines using the road to haul ore to market would pay a user fee that would pay back the financing used for the road's development and construction.

PROJECT/ ECONOMIC BENEFITS

Development of AMDIAR could allow private industry to develop a 75-mile long area of high mineral resources. Over the life of the project, multiple mines would likely be developed in the area. Benefits from the project include:

- Job and business opportunities for rural residents in north-central and northwest Alaska
- An annual average of 300 jobs over the road construction period
- A total payroll of up to \$120 million for the road

construction workforce

- Up to 20 full-time jobs for road operations and maintenance over the life of the road
- Increased employment and wages from mine construction and operations in the Ambler Mining District
- Economic benefits from just one proposed mine (Arctic) include:

- 400 direct jobs over two years for mine construction
- \$100 million in wages for mine construction workers
- 500 long-term direct jobs for mine operations
- \$46 million per year in mine workforce wages
- 1,000 direct, indirect and induced jobs with \$79 million in wages annually
- \$115 million in mining license tax revenues to the State
- \$158 million in corporate income taxes to the State
- \$58 million in production royalties to the State

PARTNERS

Owner/Operator: Public-Private Partnership

Partners: AIDEA, NovaCopper, other mining companies, and other private entities