Right- of-Way Leasing Act
AS 38.35.050
APPLICATION FOR PIPELINE RIGHT-OF-WAY LEASE

1. Date of Application

April 9, 2014

2. Name and Address of Applicant(s)

Donlin Gold LLC
4720 Business Park Blvd., Suite G-25
Anchorage, Alaska 99503

PART I. PROPOSED ROUTE

The proposed Donlin Gold Natural Gas Pipeline Project (proposed pipeline project or pipeline) extends approximately 315 miles (507 km). The route runs from the west end of the Beluga Gas Field located approximately 30 miles (48 km) northwest of Anchorage at a tie-in near Beluga in the Matanuska-Susitna Borough to the proposed Donlin Gold mine located about 277 miles (446 km) west of Anchorage, 145 miles (233.4 km) northeast of Bethel, and about 10 miles (16 km) north of the village of Crooked Creek. Please refer to the ***Plan of Development Revision 1 dated December 2013 (PoD Rev 1), Section 1.0 Introduction*** and ***Figure 1-1: Location of Proposed Natural Gas Pipeline Project*** as well as ***Section 3.0 Project Description*** for additional information.

3. Point of Origin

The point of origin of the proposed pipeline project is the tie-in location with the Beluga Natural Gas Pipeline (BPL) system (natural gas source) approximately 7.7 miles (12.4 km) north of the Beluga Power Plant near Beluga. This BPL tie-in location with the metering station would be designated milepost “0” (MP 0) and is located within the Susitna Flats State Game Refuge (SFSGR). A proposed aerial electric transmission line would provide power for operation of the metering station at MP 0 and the Compressor Station located at approximately MP 0.4. An electric transmission line would originate at the Chugach Electric Association (CEA) Beluga Power Plant. The total approximate length of the electric transmission line would be approximately 8.1 miles (13 km). (Note: Based on agency input Donlin Gold is currently evaluating gas powered compression.)

A fiber optic communications cable would run with the proposed pipeline in a separate ROW from the metering station to the compressor station and on to the proposed mine. The point of origin for the fiber optic cable would be determined during final design.

Please refer to the ***PoD Rev 1, Section 1.0 Introduction*** and ***Figure 1-1: Location of Proposed Natural Gas Pipeline Project, Section 3.0 Project Description,*** and ***Appendix A: Strip Maps/Land Status*** and the ***Supplement to Appendix A; Donlin Gold project Gasline Study*** for additional information. Also see ***PoD Rev 1, Section 6.4 Location and Description of Compressor Station, Section 6.5 Location and Description of Electric Transmission Line, Section 6.6 Location and Description of Fiber Optic Cable and Repeater Station,*** and ***Figure 6-1: Compressor Site Location Map***.

4. Point of Termination

The point of termination of the proposed pipeline is at the pipeline terminus metering station at the proposed Donlin Gold mine site located at approximately MP 315. Please refer to the ***PoD Rev 1, Section 1.0 Introduction*** and ***Figure 1-1: Location of Proposed Natural Gas Pipeline***, and ***Appendix A: Strip Maps/Land Status*** for additional information. Also see ***Section 6.6 Location and Description of Fiber Optic Cable and Repeater Station***.

5. Total proposed length

The length of the proposed pipeline is approximately 315 miles (507 km). Please refer to the ***PoD Rev 1, Section 1.0 Introduction*** and ***Figure 1-1: Location of Proposed Natural Gas Pipeline***, ***Section 4.4 Calculation of Estimated of Right-of-Way Acreage*** and ***Table 4-1: Estimated Acreage Calculation*** and ***Appendix A: Strip Maps/Land Status*** and ***Appendix B: Line List.***

6. Total length proposed to cross state lands

The total length of the proposed pipeline to cross state lands is estimated at 206.6 miles (332.5 km). This does not include the estimated 3.76 miles (6.05 km) of state land that is part of the proposed power transmission line that would run from the Beluga Power Plant to MP 0 (the total distance of the power line from the power plant to the metering station at MP 0 is approximately 7.7 miles [12.4 km]) which includes Cook Inlet Region Corporation land. The power transmission line would then run another approximately 0.4 miles (0.6 km) on state land from the metering station to the compressor station at MP 0.4. The overall length of the power transmission line from the power plant to the compressor station is approximately 8.1 miles (13 km). Please refer to the ***PoD Rev 1, Section 4.4 Calculation of Estimated of Right-of-Way Acreage***, ***and Table 4-1: Estimated Acreage Calculation*** and ***Appendix A: Strip Maps/Land Status*** and ***Appendix B: Line List*** for additional information.

7. Attach a map or plat showing the proposed alignment of the centerline of the pipeline right-of-way and indicate the areas of state upland ownership throughout the length of the proposed right-of-way

Please refer to ***PoD Rev 1, Appendix A: Strip Maps/Land Status*** for the proposed alignment of the centerline of the pipeline ROW as well as areas of state upland ownership throughout the length of the proposed ROW. Also please refer to the ***PoD Rev 1, Section 4.4 Calculation of Estimated of Right-of-Way Acreage*** and ***Table 4-1: Estimated Acreage Calculation*** as well as ***Appendix B: Line List*** for additional ownership/ land status information.

8. Proposed crossings of streams and other bodies of water. (For each crossing indicate the width and depth of the stream or water body.)

The ***PoD Rev 1, Appendix D: Stream Crossings/Aquatic Surveys***, identifies stream crossings in the proposed pipeline ROW by MP location. Donlin Gold will continue to conduct detailed engineering and environmental studies on the purposed pipeline route as needed for final design. This information will be submitted as soon as available. Stream crossing information is available in the GIS data provided.

9. Attach a map or plat showing the proposed alignment of the centerline of the pipeline right-of-way where it crosses the beds of streams or other bodies of water

The ***PoD Rev 1, Appendix D: Stream Crossings/Aquatic Surveys***, shows the proposed pipeline ROW where it crosses the streams or other bodies of water**.** Stream crossing information also is available in the GIS data provided.

10. Width of the proposed temporary right-of-way required for construction for each segment of the pipeline route on state lands

Donlin Gold has identified a 300 ft (91 m) wide construction planning corridor on land along the proposed pipeline alignment. The construction planning corridor is located 150 ft (45.7 m) on each side of the centerline of the proposed pipeline route alignment.

On state, federal and Cook Inlet Region Corporation lands Donlin Gold would apply for authorization within the 300 ft (91 m) construction planning corridor for a 100 ft wide (30.5 m) temporary construction ROW area and an additional adjoining 50 ft (15.2 m) permanent ROW. Donlin Gold would then clear a nominal 100 ft (30.5 m) construction corridor within the authorized 150 ft (45.7 m) ROW area (comprised of the 100 ft wide (30.5 m) temporary construction ROW area and the adjoining 50 ft (15.2 m) permanent ROW).

A separate authorization for a 30 ft (9 m) ROW would be applied for to install a fiber optic communications cable in the pipeline ROW.

The 300 ft (91 m) construction planning corridor would provide Donlin Gold with the flexibility to request variances where necessary within this construction planning corridor to allow for adjustment to the pipeline alignment to minimize impacts in response to specific conditions which may be encountered during construction. In areas of challenging terrain or geotechnical and environmental conditions a wider or narrower use or clearing area may be required. Additional temporary workspace areas determined during final design that are outside the 150 ft (45.7 m) pipeline construction area but within the 300 ft (91 m) construction planning corridor would be requested as needed at water body crossings and other challenging locations as required for safe pipeline construction or materials staging. Additional workspace may be restricted at sensitive environmental or cultural areas.

The facilities/activities requiring additional temporary use of land outside the construction planning corridor are addressed in the ***PoD Rev 1, Section 3.8 Length/Width of ROW Area Needed for Related Activities, Section 4.4 Calculation of Estimated of Right-of-Way Acreage, Table 4-1: Estimated Acreage Calculation, Section 5.5 Permanent Width or Size, Section 8.3.1 Land Requirements and Construction Variances, 8.4 Ancillary Support Facilities*** through ***8.4.9 Barge Landings and Ports***, and ***the Supplement to Appendices A: Donlin Gold Project Gasline Study and Appendix B: Line List***.

11. Size and location of any sites, in addition to the proposed pipeline right-of-way, requested on a temporary basis during construction

A number of temporary construction support sites for facilities/activities in addition to the proposed 100 ft (30.5 m) temporary construction area would be required. Temporary construction land use and resource needs include:

- Barge landings
- Airstrips
- Campsites
- Pipe storage yards and storage facilities
- Roads
- Material barrow sites

- Variances in temporary construction area to accommodate construction
- Beluga storage area
- Water resources
- Power transmission line construction area

Temporary construction support facilities and temporary land use areas are discussed in the ***PoD Rev 1, Section 4.4 Calculation of Estimated of Right-of-Way Acreage*** and ***Table: 4-1 Estimated Acreage Calculation***, ***Sections 5.6 Temporary Areas Needed, 8.3.1 Land Requirements and Construction Variances, 8.4.1 Mainline Camps and Camp Locations*** through ***8.4.9 Barge Landings and Ports*** and the ***Supplement to Appendix A: Donlin Gold Project Gasline Study*** and ***Appendix B: Line List.***

12. Width of the proposed right-of-way required for operating the completed pipeline for each segment of the pipeline route on state lands

The permanent width of the pipeline ROW would be 50 feet (15 m) on state lands. At certain crossings, facility locations, or sensitive locations the permanent ROW width may be greater or narrower which would be determined in final engineering. Please refer to the ***PoD Rev 1, Section 4.4 Calculation of Estimated of Right-of-Way Acreage*** and ***Table 4-1: Estimated Acreage Calculation***, ***Sections 5.5 Permanent Width or Size, 8.13 As-Built Survey***, and ***Appendix A: Strip Maps/Land Status***, ***Supplement to Appendix A: Donlin Gold Project Gasline Study*** and ***Appendix B: Line List*** for additional information.

13. Size and location of any sites, in addition to the proposed pipeline right-of-way, requested for the operation of the completed pipeline

Sites needed for operation of the completed pipeline in addition to the proposed permanent pipeline ROW include the power transmission line ROW unless authorized as part of the pipeline ROW lease, and a separate ROW for the fiber optic cable and repeater station. The metering station at the BPL tie-in at MP 0 would be part of and located within the pipeline ROW. The compressor station located at MP 0.4 would be included in the pipeline ROW and would be located within and partly outside the nominal 50 ft (15.2 m) permanent ROW. The location of the repeater station and details regarding fiber optic cable installation would be determined in final design. The pigging launcher and receiver near Farewell would be located within a site of approximately 200 ft (61 m) x 100 ft (31 m) on Cook Inlet Region Corporation land.

The general locations and proposed size of these facilities are provided in the ***PoD Rev 1, Sections 6.4 Location and Description of Compressor Station, 6.5 Location and Description of Electric Transmission Line, 6.6 Location and Description of Fiber Optic Cable and Repeater Station, 6.8 Location and Description of Pig Launcher/Receiver Facilities*** and ***6.9 Location and Description of Metering Stations***. See also ***Section 8.13 As-Built Survey***, ***Supplement to Appendix A: Donlin Gold Project Gasline Study*** and ***Appendix B: Line List.***

14. Legal description of state lands within the proposed pipeline right-of-way that are reserved or committed to any purpose. (For each tract of such state lands, state the purpose to which it is reserved or committed.)

Please refer to the ***PoD Rev 1 Appendices A: Strip Maps/Land Status, Supplement to Appendix A: Donlin Gold Project Gasline Study*** and Appendix ***B: Line List***. The legal descriptions of the state lands within the proposed pipeline ROW that are reserved or committed for a purpose are provided in ***Appendix B: Line List***.

Also, please refer to ***PoD Rev 1, Sections 8.1.1 Iditarod Trail*** and ***8.1.5 Access and Existing Roads and Trails*** for additional information.

PART II.PROJECT DESCRIPTION

15. Substance(s) to be transported

The proposed pipeline would receive natural gas from the ENSTAR Beluga Pipeline system and transport the gas to an endpoint at the proposed Donlin Gold mine. The primary composition of the gas is assumed to be similar to that distributed in the Cook Inlet pipeline network. Please refer to the ***PoD Rev 1, Section 3.1 Commodity to be Transported and Purpose*** and ***Table 3-1: Composition of Gas to be Transported*** for additional information.

16. Size, engineering and design characteristics and amount of each type of pipe to be used

The proposed Donlin Gold natural gas pipeline requires the use of an estimated 319 miles (513 km) of pipe. Per 49 CFR 192, pipe of the appropriate minimum thickness to be used for pressure containment is based upon location class.

Federal requirements stipulate the minimum wall thickness for a specific line class. The pipeline would be installed in class 1 locations with a corresponding design factor of 0.72 except as otherwise required as per 49 CFR 192.111. The Alternative MAOP requirements of 49 CFR 192.620, requiring the additional design requirements of 49 CFR 192.112, are not utilized in any section of this pipeline. A 14-inch (356 mm) diameter (outside diameter), API-5L X-52 PSL2 pipe, with a maximum allowable operating pressure of 1,480 psig would be used. The minimum required wall thickness for pressure containment of this pipe with a design factor of 0.72 is 0.28 inches. However, it was determined pipe with a wall thickness below 0.30 inch (7.62 mm) would be difficult to transport and handle without resulting in pipe damage (denting). The minimum, and baseline, pipe wall thickness (WT) selected for use on this pipeline is 0.312 inch (7.9 mm), which is a standard wall thickness of American Petroleum Institute (API) Specification 5L.

The total estimated miles of pipe included in the following is 319 miles (513 km) which allows for any extra needs including damage as a result of transport or construction as well as potential alignment adjustments that may be made in the field.

A 14-inch (356 mm) diameter (outside diameter), API-5L X-52 PSL2 pipe, with a maximum allowable operating pressure of 1,480 pounds per square inch gauge (psig) would be used. The baseline pipe wall thickness (WT) is 0.312 inch (7.9 mm). **Estimated Quantity: 239,075 LF, 45.3 miles (72.9 km)***

Geotechnical hazards such as thaw settlement and frost heave would require additional wall thickness, and 0.344-inch (8.7 mm) or 0.375-inch (9.5 mm) WT is specified in areas where these hazards are present. **Estimated Quantity: 624,167 LF, 118.2 miles (190.2 km)***

Pipe to be laid in areas requiring additional strength during pressure testing because of large elevation changes or requiring buoyancy control in wetlands would have 0.375 inch (9.5 mm) WT, and saddlebags or screw anchors would not be needed. **Estimated Quantity: 666,643 LF, 126.3 miles (203.3 km)***

For horizontal directional drill (HDD) installations, aboveground fault crossings, and other high-hazard areas, 0.406 inch (10.3 mm) WT is specified. **Estimated Quantity: 152,477 LF, 28.9 miles (46.5 km)***

Pipe lengths: TRL (total random length) 64 ft maximum (19.5 m), 60 ft (18.3 m) minimum and 62 ft (18.8 m) average

Please refer to ***PoD Rev 1, Section 3.2 Pipe to be Used for Transportation of Natural Gas, Section 5.1 Technical Summary***, and ***Table: 5-1 Proposed Project Specific Design Criteria*** for additional information.

*The final estimated amount of pipe in miles (km), by wall thickness may change to reflect final engineering design requirements or adjustments in the pipeline alignment.

17. Size, number and location of pumping, compressing, heating or refrigeration stations

A single compressor station would provide sufficient compression ability for the gas throughput. The one proposed compressor station would be located at MP 0.4. Please refer to the ***PoD Rev 1, Sections 6.4 Location and Description of Compressor Station, 8.5.3 Compressor Station, Table 8-16: Operating Design Factors for Compressor Station***, and ***Figure 8-3: Compressor Station Site Plan*** for additional information.

18. Transportation capacity of the proposed pipeline

The quantity of natural gas that can be transported through the pipeline is 73 million standard cubic feet per day (mmscfd), with a maximum allowable operating pressure (MAOP) of 1,480 lbs. psig. Please refer to the ***PoD Rev 1, Sections 3.0 Project Description*** and ***8.5.3 Compressor Station*** and ***Table 8-16: Operating Design Factors for Compressor Station*** for additional information.

19. Estimated life of the pipeline

The proposed Donlin Gold pipeline is expected to be in operation at least for the productive life of the proposed Donlin Gold mine. The engineering design life of the pipeline is 30 years. A 30-year design life does not indicate the pipeline and associated structure will be used up, failure-prone, or require replacement. Engineering design life is established from a combination of technical, regulatory, economic and commercial considerations. Please refer to the ***PoD Rev 1, Section 3.3.4 Duration of Pipeline Operation***.

20. Planned temperature at which each substance will be transported and whether it will be heated or refrigerated to maintain that temperature

The proposed pipeline would operate as an ambient-temperature pipeline for its entire length, with the exception of the first 10 to 15 miles (16 to 24 km). The first 10 to 15 miles (16 to 24 km) of the pipeline would be slightly higher in temperature, than the in situ subsurface temperature at pipeline burial depth where the pipe would transition from discharge temperature at the compressor station to surrounding ambient soil temperature. The discharge temperature at the compressor station would depend on inlet gas temperature and air temperature but would be limited to no more than 100°F (37.8°C). The temperature of the proposed pipeline would follow seasonal ground temperature at low-flow rates. At full capacity, because of the relatively small diameter of the pipe, the cooling associated with gas pressure drop would not result in significant pipeline operation at non-ambient temperature. Please refer to the ***PoD Rev 1, Section 5.1 Technical Summary*** and ***Table 5-1: Proposed Project Specific Design Criteria***, and ***Sections 5.3 Anticipated***

Operating Temperatures, ***8.5.3 Compressor Station***, and ***Table 8-16: Operating Design Factors for Compressor Station*** for additional information.

21. The pipeline will be (check as appropriate)

- Supported over the surface along its entire length ____
- On the surface along its entire length ____
- Partially buried along its entire length ____
- Completely buried along its entire length ____
- None of the above __X__ (If this is checked, attach a map showing which portions of the pipeline are planned to be over the surface, on the surface, partially buried and wholly buried.)

The proposed pipeline would be buried except for aboveground sections of the pipeline and aboveground pipeline appurtenances or ancillary equipment. The pipe and equipment would include the aboveground pipeline sections, each approximately 1,400 ft (427 m) in length where the pipeline crosses known active faults (at approximately MP 7.5 and approximately MP 148.5 shown in ***PoD Rev 1, Supplement to Appendix A: Donlin Gold Project Gasline Study***), the metering stations at the tie-in point (MP 0) and the terminus (approximately MP 315), the pigging receiver and launcher near Farewell (approximately MP 156), the compressor station (approximately MP 0.4), and the ancillary aboveground piping and associated valves at the 16 remote MLV locations. Please refer to the ***PoD Rev 1, Section 3.7 Surface and Subsurface Attributes*** and the ***Supplemental to Appendix A: Donlin Gold Project Gasline Study*** for additional information.

If engineering requirements during final design determine that one or more segments of the pipeline situated in the Alaska Range require aboveground installation, these segments also will be installed aboveground.

22. Describe the methods to be employed for partially or completely burying any portion

The methods to be employed for burying the pipeline and for trench excavation are provided in the ***PoD Rev 1, Sections 8.6 Pipeline Installation*** specifically ***Sections 8.6.1 Areas Requiring Blasting*** through ***8.6.15 Waterbody and Wetlands Crossings*** as applicable and ***10.1 Soil Removal and Replacement***. Typical drawings are provided in the ***PoD Rev 1, Appendices E: Engineering Typicals*** and ***G: Right-of-Way Typicals***. Specific details regarding installation of the fiber optic cable would be determined during final design and engineering as discussed in the ***PoD Rev 1, Section 6.6 Location and Description of Fiber Optic Cable and Repeater Station***.

23. Describe any bridges, trestles, other structures or berms for the support of the proposed pipeline

The only currently planned above ground pipeline support structures would be located at the two active faults. The pigging launcher and receiver near Farewell would have supports for the aboveground launcher and receiver pipe. Please refer to the ***PoD Rev 1, Section 3.7 Surface and Subsurface Attributes, 8.6.18 Fault Crossings***, and ***Appendix E: Engineering Typicals*** for additional information.

If engineering requirements during final design determine that one or more segments of the pipeline situated in the Alaska Range require aboveground installation, these segments also will be installed aboveground.

24. Describe the proposed method for all stream crossings and crossings of other bodies of water

No permanent bridge structures would be constructed; only temporary crossing structures would be use where necessary for equipment during construction. Refer to ***PoD Rev 1, Section 8.6.15 Waterbody and Wetlands Crossings*** and ***Appendix E: Engineering Typicals***.

The installation of the buried pipeline across specific fish-bearing streams is likely to have the greatest potential effect to fishery resources of the project area. Proposed stream crossing methods would be determined based upon the presence of fish resources and engineering needs and are provided in the ***PoD Rev 1, Section 8.6.15 Waterbody and Wetlands Crossings*** and ***Appendices C: Geotechnical Survey Data, D: Stream Crossings/Aquatic Survey Data*** and ***E: Engineering Typicals***. Each stream crossing would be conducted in a manner and during a time period that avoids or minimizes potential fishery effects.

A listing of streams that would be crossed by the pipeline on the proposed route is provided in the ***PoD Rev 1, Appendix D: Stream Crossings/Aquatic Survey Data*** and in GIS data provided. Although avoiding construction in salmon spawning streams during sensitive periods is a primary means to protect fishery resources, it is recognized that construction of a gas pipeline project would require crossing of fish streams during the sensitive periods, including winter. There are a number of stream-crossing techniques that can be used to protect fishery resources during sensitive periods. These techniques attempt to isolate the in-water work area from the flowing water of the stream being crossed and include those listed below.

- Horizontally directionally drilling (HDD) beneath large rivers and critical fish habitat
- Damming and pumping streams around crossing sites
- Diverting streams to dewater crossing sites
- Crossing when streams are completely frozen
- Fluming streams through temporary culverts and placing the pipeline beneath the culverts
- Surveying for fish overwintering areas and avoidance of these locations.

The small diameter of the pipeline favors HDD installations in large flow and sensitive habitat river crossings. The following locations are currently proposed for HDD crossings:

- Skwentna River (Approximately MP 50) – 2,981 ft (909 m)
- Happy River (Approximately MP 86) – 3,453 ft (1,053 m)
- Kuskokwim River (Approximately MP 240) – 7,101 ft (2,164 m)
- East Fork George River (Approximately MP 283) – 4,532 ft (1,381 m)
- George River (Approximately MP 290) – 2,957 ft (901 m)
- North Fork George River (Approximately MP 298) – 3,281 ft (1,000 m).

Typical stream crossing methods are discussed in the ***PoD Rev 1, Section 8.6.15 Waterbody and Wetland Crossings*** and are shown in ***Appendix E: Engineering Typicals***.

25. Describe the proposed methods for grades, cuts or fills

Various methods would be used to address grades, cuts, or fills depending upon location and site characteristics. This information is provided in the ***PoD Rev 1, Sections 8.3.4 Vegetation Clearing and Grading, 8.3.5 Make-up Area, Working Side and Travel Lane*** and in typical drawings included in ***Appendix E: Engineering Typicals***.

26. Discuss planned facilities for spill or leak prevention and containment

The proposed Donlin Gold gas pipeline would be designed, constructed, operated, and maintained in accordance with the requirements of 49 CFR 192.

During pipeline operation the pipeline would contain only natural gas which would not create pollution if a leak occurs.

A Spill Prevention, Control and Countermeasure (SPCC) plan must be developed for each facility with a capacity to store in excess of 1,320 gallons of oil in containers 55 gallons or greater in size. SPCC plans are intended to prevent spills by means of providing appropriate equipment for oil storage and conveyance, routine inspections of this equipment, and training of personnel in spill prevention. Oil present at the Donlin Gold pipeline project would include fuel, lubricating oil, used oil, or any other material or waste with the characteristics of oil as defined in 40 CFR 112.2. The SPCC plans also document control measures required including secondary containment and drainage structures, as well as countermeasures to control and clean up spills that do occur to prevent spills from reaching navigable waters. The SPCC plan must be maintained on site.

Facilities requiring an SPCC plan are anticipated to be present at the Donlin Gold pipeline project only during construction of the pipeline and possibly to a limited degree during termination. The SPCC plan would identify potential spill or source areas such as fuel or lubricating oil storage, loading, and dispensing locations. The SPCC plan would identify oil handling procedures, container and conveyance piping inspection requirements, storage requirements and actions to reduce spill potential. The SPCC plan would be developed in accordance with applicable regulations and standards.

A Supervisory Control and Data Acquisition (SCADA) system would be implemented to collect measurements and data along the pipeline, including flow rate through the pipeline, operational status, pressure, and temperature readings. This information may all be used to assess the status of the pipeline. The SCADA system would provide pipeline personnel with real-time information about equipment malfunction, leaks, or any other unusual activity along the pipeline.

An Emergency Response Plan would be developed and implemented in accordance with federal regulations to minimize the hazards resulting from a pipeline emergency, including a leak.

Please refer to ***PoD Rev 1, Section 8.4.8 Fuel*** for information regarding fuel storage during construction.

27. Proposed access roads, airstrips, heliports, float plane facilities, communication facilities, storage sites for equipment and materials, material sites, and material disposal sites, whether planned for construction, operation or maintenance support

Considerable temporary support infrastructure would be required to construct the proposed Donlin Gold gas pipeline given its remote location, lack of existing infrastructure, and challenging terrain over which it would be constructed.

Even though the overall construction period would be approximately 3 to 4 years, temporary support facilities would have to be located at various points along the 315 mile (507 km) route. These include: main camp locations with communications/tower, pipe storage yards, airstrips, fuel storage sites (at airstrips and camps), access roads to material sites, airstrips, and water sources, and barge landings.

Construction support facilities and temporary land use areas are discussed in the ***PoD Rev 1, Sections 4.4 Calculation of Estimated Right-of-Way Acreage, 8.3.1 Land Requirements and Construction Variances, 8.4 Ancillary Support Facilities, 8.4.1 Mainline Camps and Camp Locations*** through ***8.4.9 Barge Landings and Ports, 10.9 Status of Temporary Roads, Culverts and* Bridges following Construction** through ***10.14 Status of Barge Landings and Port Facilities following Construction*** and are identified in the ***Supplement to PoD Rev 1 Appendix A: Donlin Gold Project Gasline Study***.

Information is also provided in ***Appendix B: Line List.*** Land ownership details for ancillary features that fall outside of the 300-ft construction planning corridor are listed in the "Ancillary Areas" portion of Appendix B beginning on pages 34 of 39. Note that ancillary footprints that are located within the corridor are included in the land status of the corridor by section. Ancillary footprints within the corridor are not individualized. It is anticipated that none of the temporary support use areas would be retained for operation or maintenance purposes, and stabilization, rehabilitation and reclamation would be performed on each site as necessary as construction of the pipeline progressed or as soon as conditions allowed.

28. Size, number, approximate location and planned duration of field camps

Personnel housing and support services would be provided by temporary construction camps. Specific camp, use, and movement information is provided in the ***PoD Rev 1, Sections 8.4.1 Mainline Camps and Camp Locations, 8.4.2 HDD Camps and Camp Locations and Work Pads*** and ***Tables 8-3: Mainline Pipeline Camp Locations*** and ***8-4 HDD Camps and Campsite Locations***, and in the ***Supplement to Appendix A: Donlin Gold Project Gasline Study***.

Over the period of pipeline construction a total of nine construction campsite locations would be established and would be used to accommodate large temporary construction camps consistent with the construction execution sequence. As construction progressed large 300-person camps (a 100-person camp would be located at the Deep Creek campsite) would be moved to the appropriate campsite location to support the progression of pipeline work, and when construction work and camps moved to another area, campsite locations no longer required would be reclaimed. Smaller 30 person camps would be used to support the HDD drill crews and as fly camps at barge landings and advance camps for mainline camp moves. As pipeline construction nears completion, the pipeline construction camps would be demobilized with the pipeline equipment.

29. Size, number and approximate location of housing for personnel operating or maintaining the pipeline

There would be an estimated minimum of 4 permanent personnel operating or maintaining the pipeline. They would be located at the proposed Donlin Gold mine project site, and/or in Anchorage. At the mine personnel would be housed in the camp housing facility and if located in Anchorage no housing would be provided.

Please refer to the ***PoD Rev 1, Section 3.4 Estimated Employees***, and ***Table 3-3: Number of Persons Employed*** for additional information.

30. Size, number and approximate location of health care facilities

There would be no permanent health care facilities located within the pipeline ROW. For construction purposes, each main camp would include a first aid unit and house an emergency medical technician who would be onsite 24 hours a day 7 days a week, because there would be no emergency medical facilities along the pipeline route except at Beluga and the mine site. For more serious situations or emergencies personnel may be medevac'd to Anchorage or the closest facility capable of responding. Please refer to the ***PoD Rev 1, Section 8.4.1 Mainline Camps and Camp Locations*** for additional information.

31. Approximate number of persons to be employed during construction

The approximate number of persons to be employed during construction is 650. Please refer to the ***PoD Rev 1, Section 3.4 Estimated Employees***, and ***Table 3-3: Number of Persons Employed*** for additional information.

32. Approximate number of persons to be employed to operate and maintain the pipeline

The approximate number of persons to be employed to operate and maintain the pipeline is an estimated minimum of 4 full time personnel. Please refer to the ***PoD Rev 1, Section 3.4 Estimated Employees***, and ***Table 3-3: Number of Persons Employed*** for additional information. Depending on maintenance requirements Donlin Gold would contract for required services.

33. Planned commencement date for construction

Pipeline construction is planned to begin in approximately 2016, depending on receipt of appropriate authorizations. The overall construction schedule would span approximately 3 to 4 years, with the first year including pre-construction civil work such as ROW development and construction of access roads, pipe storage yards, airstrips and airstrip upgrades, installation of camp communications and camps and mobilization of material and equipment.

Please refer to the ***PoD Rev 1, Section 3.3.1 Planned Commencement Date for Construction*** and ***Table 3-2: Spread Execution Sequence*** for additional information.

34. Estimated construction time

Donlin Gold estimates the overall construction schedule would span approximately 3 to 4 years with the first year including infrastructure build out, and a 2 to 3 year pipeline installation schedule including implementation of ROW stabilization, rehabilitation and reclamation activities.

Construction would be completed in two separate ROW segments, referred to as spreads with each of the two spreads further divided into sections to accommodate varying terrain or seasonal challenges to support an orderly construction sequence. Construction spread by season and location is listed in the ***PoD Rev 1, Sections 3.3.2 Estimated Construction Time***, and ***Table 3-2: Spread Execution Sequence*** and discussed in ***Section 8.2 Construction Execution*** as well as shown in ***Appendix F: Construction Plan and Schedule***.

35. Planned commencement date for operations

Startup would occur upon completion of construction and commissioning of the pipeline which would allow delivery of gas to the mine site in approximately mid-2019.

Please refer to the ***PoD Rev 1, Sections 3.3.3 Planned Commencement Date for Operation*** and ***8.7 Pipeline Commissioning*** for additional information.

36. Estimated cost of materials

$125.0 million. The estimated cost of materials for the pipeline, not including the transmission line and fiber optic cable, is $125.0 million.

Please refer to the ***PoD Rev 1, Section 3.5 Financing Requirements for Proposed Project,*** and ***Table 3-4: Cost of Proposed Natural Gas Pipeline*** for additional information.

37. Estimated cost of construction and installation

The estimated total cost for materials, construction and installation for the Donlin Gold pipeline project is $1,016.7 million shown in the ***PoD Rev 1, Section 3.5 Financing Requirements for Proposed Project*** in ***Table 3-4: Cost of Proposed Natural Gas Pipeline***. The estimated total cost of just construction and installation of the pipeline, not including the transmission line and fiber optic cable and other costs, is $484.9 million.

38. Estimated annual cost for operations and maintenance

The estimated annual cost for operation and maintenance of the pipeline, not including the transmission line and fiber optic cable, is $3.2 million per year.

Please refer to the ***PoD Rev 1, Section 3.5 Financing Requirements for Proposed Project*** and ***Table 3-4: Cost of Proposed Natural Gas Pipeline*** for additional information.

PART III. AVAILABILITY OF INTERCONNECTIONS TERMINAL FACILITIES AND STORAGE FACILITIES

39. Describe how the proposed pipeline will connect with planned field gathering systems, if any

The proposed Donlin Gold pipeline would receive gas from ENSTAR's existing Beluga pipeline system. It is not anticipated that the pipeline would connect with any planned field gathering system as the Donlin Gold proposed pipeline is a transmission line carrying gas to the proposed Donlin Gold mine site for operational use at the mine.

Please refer to the ***PoD Rev 1, Section 3.6 Natural Gas Transmission Line*** for additional information.

40. Discuss the technical and economic feasibility of providing connections with other field gathering systems at intermediate points along the proposed pipeline

The purpose of the Donlin Gold pipeline is to transport natural gas for operational use at the Donlin Gold mine site. At this time there are no plans for future connections at intermediate points along the pipeline route. Any future connections to the pipeline whether for transporting or as off-takes of natural gas would be evaluated on a case-by-case basis. Factors that would be considered in determining the technical and economic feasibility of such cases may include as applicable, but are not limited to:

- Development and use of quality control measures to help ensure that any new product to be transported is compatible with the existing gas being transported
- Location and feasibility of any proposed connection
- Compatibility with current use and operation
- Impact to pipeline operations such as rate, pressure, estimated total quantity, continuity, and control of flow into and out of the pipeline
- Impact to Donlin Gold's existing use and pipeline capacity
- Leak detection, monitoring, and surveillance requirements
- Measurement/custody transfer requirements
- Compliance with applicable safety, environmental and relevant state and federal pipeline regulations and laws including RCA regulation
- Regulatory and state and federal Lease/ROW grant requirements
- Any restrictions in ROW agreements with Calista, The Kuskokwim Corporation and Cook Inlet Region Corporation
- Economic feasibility of installing the new connection including compensation for changes to operational costs
- Recognition that the Donlin Gold natural gas pipeline is a transmission line.

Please refer to the ***PoD Rev 1, Section 3.6 Natural Gas Transmission Line.***

41. Discuss the technical and economic feasibility of providing connections or interchanges with other pipelines at intermediate points along the proposed pipeline

It must be recognized that the pipeline is a transmission line the purpose of which is to transport natural gas for operational use at the proposed Donlin Gold mine site. There are no plans at this time for future connections or interchanges at intermediate points along the proposed pipeline route. Any future connections to the pipeline whether for transporting or as off-takes of natural gas would be evaluated on a case-by-case basis. Factors that would be considered in determining the technical and economic feasibility of such cases may include as applicable, but are not limited to:

- Development and use of quality control measures to help ensure that any new product to be transported is compatible with the existing gas being transported in the Donlin Gold gas pipeline
- Location and feasibility of connection
- Compatibility with current pipeline use and operation
- Impact to pipeline operations such as rate, pressure, estimated total quantity, continuity, and control of flow into and out of the pipeline
- Impact to Donlin Gold's existing use and pipeline capacity
- Leak detection monitoring and surveillance requirements

- Measurement/custody transfer requirements
- Compliance with applicable safety, environmental and relevant state and federal pipeline regulations and laws including RCA regulation
- Regulatory and state and federal Lease/ROW Grant requirements
- Any Restrictions in ROW agreements with Calista, The Kuskokwim Corporation and Cook Inlet Region Corporation
- Economic feasibility of installing the new connection including compensation for changes to operational costs

Please refer to ***PoD Rev 1, Sections 3.6 Natural Gas Transmission Line*** and ***6.3 Possible Future Components*** for additional information.

42. Describe the location, area and capacity of proposed tank farms or other storage facilities

There are no proposed tank farms or other storage facilities planned for this proposed project.

43. Provide locations of and describe any terminal delivery facility of the proposed pipeline

There is no proposed terminal delivery facility planned for this proposed project. The natural gas would be delivered to the proposed Donlin Gold mine site for operational use. An outlet metering facility would be installed at the mine site/terminus of the pipeline.

44. Discuss the technical and economic feasibility of providing delivery facilities at intermediate points along the proposed pipeline

The Donlin Gold gas pipeline is a transmission line, the purpose of which is to transport natural gas for operational use at the Donlin Gold mine site. No additional facilities or components are planned. The addition of off-takes to provide gas to communities or to other entities along or beyond the route is a possibility. However, local need and technical and financial feasibility of such gas off-takes would be evaluated and considered on a case-by-case basis using similar factors as identified in 40 and 41 above.

Please refer to the ***PoD Rev 1, Sections 3.6 Natural Gas Transmission Line*** and ***6.3 Possible Future Components*** for additional information.

PART IV. SAFEGUARDS FOR PERSONS, PROPERTY, THE PUBLIC, AND THE ENVIRONMENT

Donlin Gold LLC is committed to conducting business in a manner that is compatible with the environment of the project area and that recognizes the concerns and needs of the general public in or using the area or traversing through the route in which the proposed pipeline would be constructed and operated. Donlin Gold intends to protect the safety, security, and health of its employees, those involved with the construction, operation, maintenance and termination of the proposed pipeline, and the public. Donlin Gold's primary objectives are to ensure the proposed pipeline integrity, address leak prevention, establish procedures and plans for surveillance, inspection and monitoring, and to plan for response in the case of any emergency relating to the pipeline or workers during construction, operation, maintenance, and termination and ensure that stabilization, rehabilitation and reclamation obligations are fulfilled. Please refer to ***PoD Rev 1*** for additional information.

The Donlin Gold buried natural gas pipeline project is subject to strict state and federal laws that provide safeguards for persons, property, the public and the environment. Project specific permits and authorizations are required under state and federal laws for construction, operation, maintenance, and termination. Critical permits and authorizations required for this project are the State Pipeline Right-of-way Lease under AS 38.35; Bureau of Land Management Grant of Right-of-way; Clean Water Act (CWA) Section 404 permit from the U.S. Army Corps of Engineers (COE); CWA Section 401 permit from the Alaska Department of Environmental Conservation (ADEC) and, fish habitat and protection permits from the Alaska Department of Fish and Game (ADF&G). Other permits and authorizations support the issuances of the right-of-way lease and grant as well as the approved plans and programs necessary for construction, operation, maintenance and termination of the project. Please refer to the ***PoD Rev 1, Sections 7.3 List of Project Authorizations, 7.3.1 State ROW Lease Required Documents***, and ***Figure 7-2: State ROW Lease Required Documents***, and ***Table 7-3: Permits and Authorizations*** for additional information.

45. Describe your plans to detect and abate any condition possibly arising from the construction, operation, maintenance or termination of all or any part of the proposed pipeline that may cause or threaten to cause a hazard to the safety of workers on the pipeline project

Donlin Gold would implement a worker safety plan program (Health, Safety, and Environment Plan) for the proposed pipeline project construction, operation, maintenance, and termination. The Safety Plan/Program would identify and address procedures put in place to make sure all operations are performed in a safe manner and that all applicable health and safety laws and regulations are followed to minimize or eliminate hazards to the safety of workers. Safety considerations during construction are addressed in the ***PoD Rev 1, Section 3.11.1 Safety of Workers, Section 8.10.18 Safety and Security, Section 8.10.1 Environmental, Safety and Project Orientation/Training*** and safety consideration during operations, maintenance and termination in ***Section 11.3 Safety***.

Before being dispatched to the field, all personnel would receive health, safety, and environment (HSE) training. The training program would focus on applicable state or federal regulations as well as project-specific permit conditions and mitigation plans. The training would include environmental and cultural sensitivity issues. A project orientation would be conducted that would focus on personnel safety and health, camp rules, prohibited items (for example, pets, drugs, alcohol, and firearms), mobilization, wildlife interaction, waste management, medical and emergency response, fire prevention and suppression, and related topics. Safety training would be a major component of the orientation.

A compliance monitoring program would be used during all project phases. Components of compliance monitoring would include:

- Conveying regulatory requirements to Donlin Gold and contractor personnel
- Establish a compliance matrix that describes routine permit related inspections and other activities.
- Implement a Permits and Environmental Compliance Monitoring Program to verify commitments are met.

An Emergency Response Plan (refer to the ***PoD Rev 1, Section 3.11.1 Safety of Workers***) would be developed to identify potential hazards and applicable corrective actions. Specific emergencies that would be addressed would include at least the following:

- Serious illness or injury
- Fatality
- Fire or explosion
- Pipeline rupture or emergency
- Earthquake/other natural occurrences
- Wildfires
- Bomb threat, vandalism, sabotage or other criminal act

46. Describe your plans to detect and abate any condition possibly arising from the construction, operation, maintenance or termination of all or any part of the proposed pipeline that may cause or threaten to cause a hazard to the public health and safety

Design, administration, and operational controls would be developed and implemented to prevent and abate hazards and to protect the health and safety of all persons affected by the activities performed in connection with the construction, operation, maintenance and termination of the pipeline. Donlin Gold would observe and comply with applicable federal, state, and local laws and regulations related to public health and safety, including federal regulations pursuant to 49 CFR 192. The requirements included in 49 CFR 192 provide stringent standards for pipe materials, pipe design, pipe components, pipe welds, pipeline construction, corrosion protection, pipeline pressure testing, and operations and maintenance, and are intended to ensure adequate protection for the public from natural gas pipeline failures. Please refer to ***PoD Rev 1, Section 3.11.2 Public Health and Safety*** for additional information.

An Operations and Maintenance Plan/Manual (O&M Plan/Manual) would be developed as discussed in the ***PoD Rev 1, Section 11.1 Operation and Maintenance Plan/Manual*** and a Health, Safety and Environment Plan which includes the Safety Plan/Program would be developed as discussed in ***PoD Rev 1, Section 11.3 Safety*** and ***Section 8.10.1 Environmental, Safety and Project Orientation/Training***. O&M would be performed in a manner that is protective of personnel health and safety as well as protective of the environment.

As part of Public Outreach, procedures would be developed to provide the public with educational information and other information regarding hazards associated with an unintended release and indications that a release has occurred, reporting of release procedures and steps to be taken should a release occur, or to discuss pipeline ROW access or safety related issues.

A Subsistence Users Plan of Cooperation would be implemented to keep those involved in subsistence use informed of pipeline construction activities in an effort to reduce potential impacts when possible as discussed in the ***PoD Rev 1, Section 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes***.

A Commercial Lodges Plan of Cooperation would be implemented to keep lodge owners informed of pipeline construction activities in an effort to reduce potential impacts when possible as discussed in the ***PoD Rev 1, Section 3.11.10 Special Safeguards to Protect the Interests of Commercial Lodges.***

A Quality Control Plan would be developed and implemented to identify potential problems and verify that all work is completed in a manner that would maintain the quality and integrity of the pipeline, and to make sure all work is performed in accordance with applicable permit stipulations and requirements.

A threat or hazard to public health and safety associated with release of natural gas would exist only during operation of the pipeline. There are no other significant events that have been identified that pose serious hazards to public health and safety during the construction phase provided that the public also exercises reasonable caution, remains alert to on-going construction activities, and obeys hazard warnings or directions when nearing or traversing construction areas or temporary use areas even if construction personnel may be aware of their presence or assisting them through an area under restricted access during construction. There is the potential hazard of a construction related fire or blasting incident however, the construction contractors would also be required to address such circumstances and take necessary precautions to avert potential risks to public health and safety.

Established safe construction practices, together with health and safety programs, would be used to protect the health and safety of the workforce and the public during construction and operation of the pipeline. For the general public, limited potential exists for general public access to the pipeline ROW because of the remoteness of the area and the seasonal means of transportation to the ROW. Donlin Gold recognizes that the portion of the pipeline project in the Matanuska Susitna (MatSu) Borough receives regular winter use from Anchorage, MatSu Borough and local area residents and that this use would be temporarily interrupted by the project. Through its Public Outreach Plan and in coordination with the applicable agency/landowner, Donlin Gold would provide notice of pipeline construction activities and information on how the public could coordinate access needs with construction activities. In these and other areas where construction activities would affect existing access routes Donlin Gold would provide alternate access or allow for controlled access within or across the construction area. This would include ADL 222930/RST-199, the main transportation route in the region. Communities/villages in the general area as well as events operating annually under permit along the Iditarod Trail would be consulted or included in communications about construction, operation, maintenance and termination activities in order to avoid potential conflicts with subsistence users, local travelers, and event trail users. See ***PoD Rev 1, Sections 3.11.2 Public Health and Safety*** and ***8.1.5 Access and Existing Roads and Trails.***

Spill prevention measures, including those related to refueling operations and for stationary vehicles, would be implemented.

Risks relating to spills or leaks of fuel during pipeline construction or operation would be reduced by implementing appropriate and effective inspection, maintenance, monitoring and response programs.

Measures to protect public health and safety during pipeline operation include an ongoing inspection and maintenance program as part of regulatory compliance and the Pipeline Surveillance and Monitoring Plan as well as the Operation and Maintenance Plan/Manual.

Signs would be placed at appropriate locations along the pipeline in compliance with regulatory requirements, including locations required by 49 CFR 192, warning the public of associated hazards and providing the operator's name and 24-hour-a-day contact information or as additionally determined appropriate by Donlin Gold for safety purposes.

The above ground portions of the pipeline would be shielded with steel plating as well as the thickness of the pipe would help to protect the pipeline by being pierced from an intentional or accidental shooting. These portions of the pipeline would also be fenced.

Please refer to the ***PoD Rev 1, Section 3.11.2 Public Health and Safety*** for additional information.

47. Describe your plans to detect and abate any condition possibly arising from the construction, operation, maintenance or termination of all or any part of the proposed pipeline that may cause or threaten to cause serious and irreparable harm or damages to public or private property

A small number of private parcels exist adjacent to the proposed ROW as shown in the ***PoD Rev 1, Appendix A: Strip Maps/Land Status***.

Within the proposed ROW there are lands owned by Calista and CIRI. Arrangements would be necessary to traverse these lands with the pipeline. All remaining lands are public lands managed by the state or federal government.

A Quality Control Plan would be developed to identify any potential issues or problems and verify that work is performed in a manner to maintain the integrity of the pipeline system and in accordance with relevant regulatory requirements and permit stipulations.

Major events that potentially could cause serious and irreparable harm or damages to public or private property would be a result of a pipeline rupture and explosion or a major fuel spill. An explosion, fuel spill or construction or maintenance incident could result in harm or damage including a fire effecting nearby public or private property, and/or loss of life. An Emergency Response Plan would be developed to address such potential hazards and corrective/response actions. The Stabilization, Rehabilitation, Reclamation Plan, Erosion and Sedimentation Control Plan, Fire Prevention and Suppression Plan, Invasive Species Prevention and Management Plan as well as other plans listed in the ***PoD Rev 1, Section 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes*** would be implemented to assist detecting and abating serious and irreparable harm or damages to vegetation or timber.

During Construction

During construction, impacts would be avoided, minimized, and/or mitigated by various methods, including the following:

- Compliance with applicable state and federal regulations and permits issued for the project, and adherence to approved plans associated with the project
- Schedule winter construction to minimize damage to land cover, wetlands and waterbodies
- Construction inspection and monitoring by trained personnel to minimize unnecessary disturbance to construction areas
- Develop and implement appropriate plans to address and monitor construction activities.

During Operation and Maintenance

During operation and maintenance, impacts would be avoided, minimized, and/or mitigated by various methods, including the following:

- Donlin Gold would ensure compliance with state and federal applicable regulations and permits, and adherence to approved plans associated with the project
- The pipeline would be inspected and monitored regularly during operations, including adherence to approved plans associated with the project
- Planned or unplanned pipeline repairs or maintenance would be completed in a manner that would minimize impacts to public or private property
- After construction, pipeline surveillance, inspection, and monitoring programs as well as a maintenance program would be implemented. The goals of these programs would not only be to uphold pipeline operating integrity and safety, but to also prevent, identify, and respond to all situations that pose a significant risk of damage to the environment

During Termination

As stated in the ***PoD Rev 1, Section 12.1 Removal of Structures at Termination***, a detailed Pipeline Abandonment Plan and procedures would be developed prior to termination of pipeline operations. Abandonment procedures would be based on applicable regulatory requirements at the time and would be designed to minimize impacts to public and private property in coordination with landowner and regulatory agencies.

Please refer to the ***PoD Rev 1, Sections 3.11.2 Public Health and Safety*** and ***3.11.3 Public or Private Property*** for additional information.

48. Describe your plans to detect and abate any condition possibly arising from the construction, operation, maintenance or termination of all or any part of the proposed pipeline that may cause or threaten to cause serious and irreparable harm or damages to vegetation or timber

The primary incidents that could result in serious harm or damage to vegetation or timber include fire that spreads to adjacent vegetation or spills of fuel or other liquids that could kill or damage vegetation. Inappropriate handling of vegetation or timber could also result in potential infestation of bark beetles, erosion and sedimentation issues, and debris in streams. Equipment used during construction may also result in damage to vegetative cover. If there was a stabilization, rehabilitation or reclamation failure, vegetation may be affected depending on the location and extent of damage. Donlin Gold would take all actions necessary and appropriate for the prevention and suppression of fires in accordance with applicable law and instructions from appropriate authorities.

A Quality Control Plan would be developed to identify any potential issues or problems and verify that work is performed in a manner to maintain the integrity of the pipeline system and in accordance with relevant permit stipulations and regulatory requirements.

The Stabilization, Rehabilitation, Reclamation Plan, Erosion and Sedimentation Control Plan, Fire Prevention and Suppression Plan, Invasive Species Prevention and Management Plan, and Timber Clearing and Utilization Plan as well as other applicable plans listed in the ***PoD Rev 1, Section 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes*** would be implemented to assist detecting and abating serious and irreparable harm or damages to vegetation or timber.

Please refer to the ***PoD Rev 1, Section 3.11.4 Vegetation or Timber*** for additional information.

49. Describe your plans to detect and abate any condition possibly arising from the construction, operation, maintenance or termination of all or any part of the proposed pipeline that may cause or threaten to cause serious and irreparable harm or damages to fish or other wildlife or to their habitats

Appropriate plans, including the Wildlife Avoidance and Human Encounter/Interaction Plan, the Erosion and Sedimentation Control Plan included as ***PoD Rev 1, Appendix H***, other applicable plans listed in the ***PoD Rev 1, Section 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes*** and construction and operating procedures would be in place to protect fish, wildlife and their habitats. Construction, operation, maintenance and termination activities would be carried out following approved plans and consistent with the regulatory requirements and the stipulations of federal and state authorizations.

Construction of stream crossings on streams with anadromous fish would follow plans and design measures that would reduce impacts to migrating fish and to spawning habitat.

Please refer to the ***PoD Rev 1, Section 3.11.5 Fish or Other Wildlife or Their Habitat*** for additional information.

50. Describe your plans for restoring areas of vegetation or timber damaged or harmed directly or indirectly by the construction, operation, maintenance or termination of all or any part of the proposed pipeline

A Stabilization, Rehabilitation, and Reclamation Plan would be developed to address stabilization, rehabilitation, and reclamation of all disturbed areas associated with pipeline during construction, operation, maintenance and termination of the ROW. This would include any area disturbed around permanent facilities when constructed, the temporary construction ROW, temporary use areas during construction (material sites, camp sites, pipe storage yards, airstrips, roads, and barge landings), maintenance activities, or as facilities and portions of the pipeline are removed at termination.

Areas of vegetation or timber damaged or harmed directly or indirectly by the construction, operation, maintenance or termination of all or any part of the proposed pipeline would be identified and corrective action taken, as appropriate and consistent with the approved Stabilization, Rehabilitation and Reclamation Plan, other applicable plans and regulatory requirements or if outside of the area authorized for construction, as agreed with the landowner. Corrective action would typically involve documenting the specific location of the damage, conducting an inspection, and rehabilitating and reclaiming the disturbed area in a manner approved by the applicable regulatory agencies or landowner. Design and construction measures would be taken to avoid unnecessary damage to the project area and adjacent land.

Please refer to the ***PoD Rev 1, Sections 3.11.6 Restoring Areas of Vegetation or Timber*** and ***10.0 Stabilization, Rehabilitation and Reclamation*** for additional information.

51. Describe your plans for abating erosion and restoring areas eroded as a direct or indirect result of the construction, operation, maintenance or termination of all or any part of the proposed pipeline

Throughout the life of the pipeline project Donlin Gold would take necessary precautions and employ methods and procedures to abate erosion and in restoring areas where erosion has occurred. Such plans as the Stabilization, Rehabilitation, and Reclamation Plan, the Erosion and Sedimentation Control Plan, and the Storm Water Pollution Prevention Plan (SWPPP), as well as the engineering design of the pipeline address potential as well as actual erosion and storm drainage concerns. It is important to control the surface flow along the backfilled pipeline trench and within the ROW to prevent or control erosion and potential sedimentation problems in compliance with state and federal regulations and appropriate plans.

The Stabilization, Rehabilitation, and Reclamation Plan and the Erosion and Sedimentation Control Plan would specifically identify erosion and sedimentation control procedures and methods to be applied along the ROW. The SWPPP would address erosion control measures, procedures and practices, and mitigation measures to control erosion, sedimentation and storm water runoff. Surveillance and monitoring would identify areas requiring corrective erosion and sedimentation control and vegetative maintenance throughout all phases of the pipeline project. Normal drainage patterns would be maintained where practical. Erosion and sedimentation would be controlled and any eroded areas would be rehabilitated.

Temporary as well as permanent erosion control methods would be used during the construction of the pipeline. Some measures taken would be temporary until revegetation has occurred or an area has stabilized. Rivers, streams and wetlands would use erosion control measures to address erosion prone banks or other areas on a case by case base.

The construction schedule proposed by Donlin Gold would assist in limiting erosion potential as approximately 68% of the pipeline is scheduled for winter construction. The seasonal environmental conditions, particularly the frozen ground including wetlands would help protect against compaction, mixing, rutting, and drainage alteration that could lead to erosion issues. Lower water levels during winter reduce the extent of in-water work in waterbody crossings. In small, intermittent drainages the winter flow is generally reduced or absent also reducing the amount of in water work required. Wetlands would be frozen during the winter and would be more protected from equipment use and pipeline construction induced damage.

Mitigation of potential erosion resulting from construction activities would be taken as appropriate and consistent with the Erosion Control and Sedimentation Plan included in ***PoD Rev 1, Appendix H*** as well as the Stabilization, Rehabilitation, Reclamation Plan, other applicable plans and regulatory requirements.

Please refer to the ***PoD Rev 1, Sections 3.11.7 Erosion and Rehabilitation of Areas Eroded, 10.2 Drainage and Erosion Control, Clean-up and Reclamation*** and ***Appendix E: Engineering Typicals*** for additional information.

52. Describe your plans for quality control and your procedures for inspection and testing the pipeline, both during and after construction

The proposed Donlin Gold natural gas pipeline would be designed, constructed, operated, and maintained in accordance with the requirements of PHMSA within the USDOT and

applicable authorization requirements. These requirements are intended to ensure the safe transportation of natural gas, including adequate protection for the public from natural gas pipeline failures. The proposed Donlin Gold pipeline would meet or exceed these requirements.

Donlin Gold would adhere to its Operations Integrity Management System safeguards and stipulations. To facilitate compliance with the safeguards and stipulations of the ROW authorizations, all contractors would be pre-qualified to verify that they have an integrity Management System or equivalent in place. In addition, Donlin Gold would implement a Quality Management Program. Please refer to ***PoD Rev 1, Sections 3.11.8 Quality Control and Procedures for Inspecting and Testing the Pipeline, 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes, and 8.11 Environmental and Quality Control and Procedures for Inspection***.

The Pipeline Surveillance and Monitoring Plan, and the Operations and Maintenance Plan/Manual would provide more detailed information on proposed inspection and monitoring procedures for the pipeline. A detail Pressure Test Plan would be developed during final design as discussed in ***PoD Rev 1, Section 8.6.25 Cleaning, Pressure Testing and Drying.*** The following would be employed to ensure overall pipeline quality is accomplished:

Field Design Changes

As in any project, there may be a need for unanticipated design changes in the field during the actual pipeline construction process. These design changes are the result of the conditions encountered along the route that dictate the necessity for the change. Such field design changes when approved and implemented would be documented on the appropriate drawings and in the applicable specifications. Procedures would be developed and used during project construction and operation for documenting and maintaining these records. See ***PoD Rev 1, Section 11.17 Construction Records*** and ***Section 11.18 Operations Records*** for additional information.

Construction Inspection

Inspections would be conducted in accordance with procedures documented in the Pipeline Integrity Management System and approved contractor Quality Assurance and Control Plans. In addition, protocols would be developed and implemented to react quickly and efficiently to any deviations to identified standards. Inspectors trained and qualified would monitor construction activities. A set of complete records would be kept for future reference during pipeline operation and maintenance and for future projects involving the pipeline. Please refer to ***PoD Rev 1, Sections 8.11 Environmental and Quality Control and Procedures for Inspection***, ***11.17 Construction Records*** and ***11.18 Operations Records*** for additional information.

Testing of the pipeline would be conducted in accordance with 49 CFR 192 and ASME 31.8. A detailed Pressure Test Plan would be prepared during final design. Please refer to the ***PoD Rev 1, Section 8.6.25 Cleaning, Pressure Testing and Drying***.

Pipeline Materials and Procedures Control

Materials that would be used in construction of the pipeline would meet the required specifications and pipeline standards. Appropriate quality control would be required of all pipeline material suppliers. Field welds on the pipeline would be inspected during construction. Inspectors would be employed to verify compliance with the approved welding

procedures and conformance to other construction practices, standards, and requirements. See also ***PoD Rev 1, Sections 8.6.5 Inspection (Nondestructive Examination)*** and ***8.11 Environmental and Quality Control and Procedures for Inspection***.

Pipeline Operations and Maintenance

When the pipeline is in operation, the pipeline would be periodically inspected using in-line inspection tools- intelligent inspection pigs. The Operation and Maintenance Plan/Manual and pipeline Surveillance and Monitoring Plan would provide details about inspection pigging, and would define the types and frequency of inspection pigs to be run through the pipeline. The first inspection pig run would establish baseline pipeline conditions. Subsequent pig runs would be scheduled to monitor and detect change from the baseline conditions. The need for and frequency of the pig runs would be evaluated based on results from previous pig runs and on operating experience and requirements. Please refer to ***PoD Rev 1, Sections 3.11.8 Quality Control and Procedures for Inspecting and Testing the Pipeline, 11.10 Pigging, 11.10.1 Maintenance Pigging*** and ***11.10.2 Smart Pigging.***

Please refer to the ***PoD Rev 1, Sections 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes, 8.11 Environmental and Quality Control and Procedures for Inspection, 11.9.2 Inspection, Surveillance and Monitoring of Right-of-Way*** and ***11.18 Operational Records*** for additional information.

53. Describe your plans to ensure compliance by your contractors and subcontractors with the safeguards and stipulations of the right-of-way lease, if issued

Donlin Gold would require its personnel, contractors and subcontractors to adhere to all permit stipulations and regulations, as well as to Donlin Gold's policies, procedures, applicable plans, including but not limited to, the Invasive Species Prevention and Management Plan, and expectations. Compliance would be accomplished by contractual terms, contractor management, and compliance with Donlin Gold plans and programs, including the following:

- Contractor qualification review before contract award. This would include evaluation of their performance relating to meeting past Health, Safety and Environmental requirements, in addition to other qualifying factors.
- Meetings with contractors to identify, clarify, and discuss expectations and requirements for their Health, Safety and Environmental Performance and to identify any of Donlin Gold's additional requirements
- Donlin Gold plans or programs would contain requirements for inspections and audits of pipeline construction, operation, and maintenance, including those requirements that are the responsibility of contractors to adopt and enforce
- Provisions incorporating safeguards, procedures and stipulations of the various ROW authorizations and approved plans, and required compliance with those safeguards, procedures and stipulations, would be incorporated into contracts and as appropriate, subcontracts for construction, operation, and maintenance of the pipeline
- Any contractor or subcontractor found in non-compliance with stipulations and requirements of the federal and state ROW authorizations and regulations and/or Donlin Gold's approved pipeline plans and applicable policies, may be subject to disciplinary action

Donlin Gold's Permits and Environmental Compliance Program would be prepared for project use during construction, operation, maintenance and termination. The purpose of the program would be to facilitate compliance with project permits and applicable environmental laws and regulations. The program would be prepared after project permits and other authorizations are obtained so that permit obligations and requirements can be included in the program and explained and used in the field. The program would provide procedures for permit and regulatory compliance, including the requirements of the ROW authorizations, reporting, monitoring, and any plans. In addition, the program would detail Donlin Gold's environmental policies and performance expectations.

Please refer to the ***PoD Rev 1, Sections 3.11.8 Quality Control and Procedures for Inspecting and Testing the Pipeline, 8.11 Environmental and Quality Control and Procedures for Inspection,*** and ***11.16 Normal Operating and Maintenance Procedures Review*** for additional information.

PART V. SPECIAL SAFEGUARDS FOR NATIVES AND OTHERS SUBSIDING ON THE BIOTIC RESOURCES OF THE GENERAL AREA OF THE PROPOSED RIGHT-OF-WAY

54. Describe your plans and procedures to protect the interests of individuals living in the general area of the proposed right-of-way who rely on the fish, wildlife and biotic resources of the area for subsistence purposes

Plans and procedures to protect the interests of individuals living in the general area of the proposed ROW who rely on the fish, wildlife and biotic resources of the area for subsistence purposes would be integrated into the general construction, operation, maintenance and termination activities.

Donlin Gold has an established, ongoing Public Outreach with villages in the region and would expand this to ensure that any additional outreach needed specifically for the pipeline project would be incorporated. Project representatives have consulted with local residents to identify and address local concerns and would continue to do so during construction, and operation. Measures would be implemented during construction and operations to facilitate continued subsistence access when and where possible.

Plans and procedures to protect the interests of individuals living in the general area of the proposed right-of-way who rely on the fish, wildlife and biotic resources of the area for subsistence purposes would be integrated into the general construction, operation, maintenance and termination activities.

Donlin Gold's proposed mitigation measures for impacts to subsistence activities would be addressed in its Subsistence Users Plan of Cooperation. This Plan would:

- Identify locations where subsistence activities occur, and coordinate activities in these areas to the maximum extent practicable during the short span of construction activities
- Attempt to limit or reduce conflict with subsistence activities when possible
- Notify workers that subsistence activities are or may be ongoing in an area and direct them to limit or reduce to the extent practicable actions that may affect the activities
- Develop and implement a Wildlife Avoidance and Human Encounter/Interaction Plan for the construction, operation, maintenance and termination of the pipeline to avoid

or minimize impacts to subsistence species whenever possible especially during the short duration of construction.

Donlin Gold would develop a number of plans and procedures for construction, operation, maintenance and termination of the proposed project, many of which would apply directly or indirectly to protect the environment, including fish, wildlife, and biotic resources that are used for subsistence and subsistence activities.

Please refer to ***PoD Rev 1, Section 3.11.9 Special Safeguards to Protect the Interests of Individuals Living in the General Area for Subsistence Purposes*** and ***9.2.15 Subsistence*** for additional information. Also, Donlin Gold would take into consideration the interests of commercial lodges in the general area of the pipeline. Please refer to the ***PoD Rev 1, Section 3.11.10 Special Safeguards to Protect the Interests of Commercial Lodges***.

PART VI. FINANCIAL INFORMATION

55. Describe the probable financing requirements for the proposed pipeline

Donlin Gold LLC is a limited liability company with 50/50 ownership by Barrick Gold US Inc. and NovaGold Resources Alaska, Inc. The Donlin Gold gas pipeline would be wholly owned by Donlin Gold LLC. The pipeline would be owner financed. Please refer to ***PoD Rev 1, Sections 3.5 Financing Requirements for the Proposed Project*** and ***3.5.1 Corporate Organization Structure*** for additional information. See Attachment 1 for Donlin Gold LLC corporate organizational structure.

56. Attach an annual financial statement and balance sheet for each applicant, prepared in accordance with generally accepted accounting principles for each of the applicant's three fiscal years immediately preceding the date of this application. The financial statement must be certified by a firm of reputable and independent Certified Public Accountants

Please see **Attachment 2** for Donlin Gold LLC Annual Financial Statements and Balance Sheets.

PART VII. OTHER INFORMATION

57. Name and address of the proposed general contractor(s) for constructing the pipeline

At this time, the names and addresses of the proposed general contractors are not known. The pipeline construction contractors would be selected later in the project and their names and addresses would be provided to the SPCO at that time.

58. Name and address of the proposed operator of the pipeline

At the time of submittal of this application, Donlin Gold LLC anticipates being the pipeline operator. If it is determined at a later date that another entity would be the operator, their name and address and appropriate paperwork would be provided to the SPCO and others as required or appropriate.

59. Other information you believe may aid in the consideration of this application

Attachment 3 Pipeline Alignment Project is a map showing the proposed pipeline route, construction sections, seasons and associated mileposts along the alignment.

A Reimbursement Agreement between ADNR and Donlin Gold for services associated with the pipeline ROW Lease Application has been executed. The provisions of the agreement outline the activities of the SPCO and address the following:

- Reimbursement of the State of Alaska for costs associated with processing this application (per AS 38.35).
- Development of a plan for submittal and review of technical information with expected level of details.

Donlin Gold will meet with SPCO to determine the additional documents that would be submitted in support of this application and the anticipated submittal date to the SPCO.

List of Attachments

Attachment 1: Donlin Gold LLC Corporate Organizational Structure

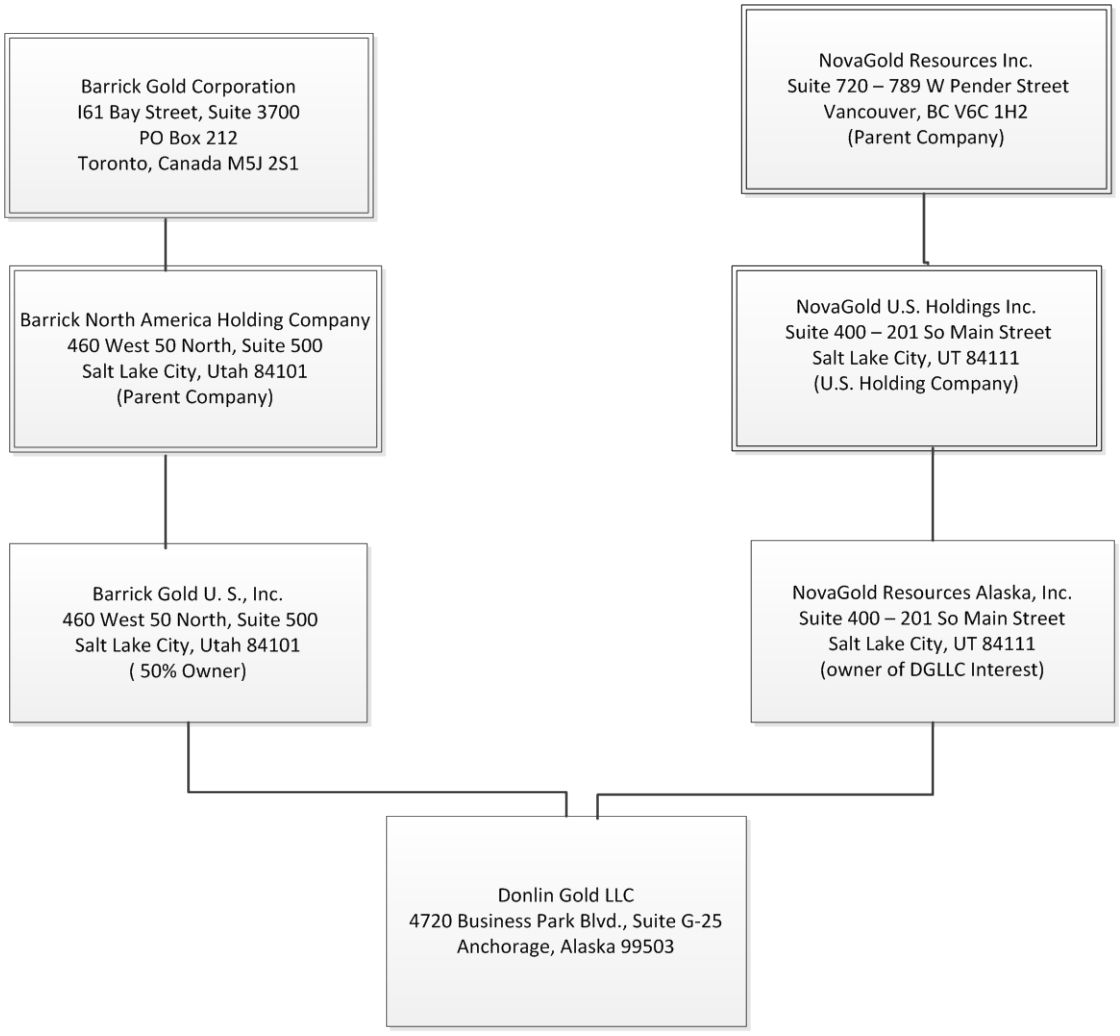
Attachment 2: Donlin Gold LLC Annual Financial Statements and Balance Sheets for 2012 and 2013

Attachment 3: Pipeline Alignment Project (Map)

Attachment 1

Donlin Gold LLC Corporate Organizational Structure

Donlin Gold LLC Corporate Organizational Structure



Attachment 2

Donlin Gold LLC Annual Financial Statements and Balance Sheets for 2012 and 2013

February 7, 2014

Report of Independent Registered Public Accounting Firm

To the Shareholders of Donlin Gold LLC

We have audited the accompanying balance sheets of Donlin Gold LLC as of November 30, 2013 and 2012 and the related results of operations, statements of equity, and cash flows for each of the years ended 2013, 2012 and 2011. Management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We were not engaged to perform an audit of the company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Donlin Gold LLC as of November 30, 2013 and 2012 and the results of its operations and its cash flows for each of the years in the three-year period ended November 30, 2013 in conformity with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 700, Vancouver, British Columbia, Canada V6C 3S7
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DONLIN GOLD LLC
(An Exploration Stage Company)

BALANCE SHEETS

	At November 30, 2013	At November 30, 2012
	(in thousands)	
ASSETS		
Cash	$ 6,663	$ 9,381
Prepaid expenses	118	290
Current assets	6,781	9,671
Property and equipment (note 3)	1,083	1,464
Mineral property	65,384	65,384
Total assets	$ 73,248	$ 76,519
LIABILITIES		
Accounts payable and accrued liabilities	$ 2,427	$ 2,467
Due to related parties (note 4)	1,995	299
Current liabilities	4,422	2,766
Reclamation and remediation (note 5)	1,384	1,384
Total liabilities	5,806	4,150
Commitments and contingencies (note 6)		
EQUITY		
Partner contributions	286,108	261,798
Accumulated deficit during exploration stage	(218,666)	(189,429)
Total equity	67,442	72,369
Total liabilities and equity	$ 73,248	$ 76,519

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
(An Exploration Stage Company)

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	Years ended November 30,			From
	2013	2012	2011	Inception
		(in thousands)		
Operating expenses:				
General and administrative	$ 7,438	$ 8,510	$ 7,267	$ 40,299
Camp operations and maintenance	2,121	4,924	4,976	37,837
Community relations	2,128	2,555	2,468	10,218
Permitting	7,816	5,479	2,557	19,186
Environmental compliance	3,873	7,908	9,874	40,090
Feasibility and engineering	3,982	906	14,049	51,579
Land lease payments	1,421	2,708	1,223	7,245
Exploration and evaluation	—	521	664	11,022
Depreciation	417	351	227	1,215
	29,196	33,862	43,305	218,691
Loss from operations	(29,196)	(33,862)	(43,305)	(218,691)
Other income (expense):				
Foreign exchange gain (loss)	(41)	5	(50)	(60)
Interest income	—	—	—	85
	(41)	5	(50)	25
Net loss and comprehensive loss	$ (29,237)	$ (33,857)	$ (43,355)	$ (218,666)

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
(An Exploration Stage Company)

STATEMENTS OF CASH FLOWS

	Years ended November 30,			From
	2013	2012	2011	Inception
	(in thousands)			
Operating activities:				
Net loss	$ (29,237)	$ (33,857)	$ (43,355)	$ (218,666)
Adjustments to reconcile net income to net cash used in operating activities:				
Depreciation	417	351	227	1,215
Foreign exchange (gain) loss	41	(5)	50	60
Net change in operating assets and liabilities				
Accounts receivable and prepaid expenses	172	(189)	1	(118)
Accounts payable and accrued liabilities	1,656	(216)	135	4,422
Net cash used in operations	(26,951)	(33,916)	(42,942)	(213,087)
Investing activities:				
Additions to property and equipment	(36)	(430)	(792)	(2,298)
Net cash used in investing activities	(36)	(430)	(792)	(2,298)
Financing activities:				
Partners' contributions	24,310	36,876	44,764	222,108
Net cash provided from financing activities	24,310	36,876	44,764	222,108
Effect of exchange rate changes on cash	(41)	5	(50)	(60)
Increase (decrease) in cash during the period	(2,718)	2,535	980	6,663
Cash at beginning of period	9,381	6,846	5,866	—
Cash at end of period	$ 6,663	$ 9,381	$ 6,846	$ 6,663
Supplemental information:				
Interest received	$ —	$ —	$ —	$ 85
Partners' initial contribution (non-cash)	$ —	$ —	$ —	$ 64,000

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
(An Exploration Stage Company)

STATEMENTS OF EQUITY

	Barrick Contributions	NOVAGOLD Contributions	Accumulated deficit	Total equity
		(in thousands)		
At inception December 1, 2007	$ 32,000	$ 32,000	$ —	$ 64,000
Partners' cash contribution	58,079	58,079	—	116,158
Net loss from inception to November 30, 2010	—	—	(112,217)	(112,217)
Balance at November 30, 2010	$ 90,079	$ 90,079	$ (112,217)	$ 67,941
Partners' cash contribution	22,382	22,382	—	44,764
Net loss	—	—	(43,355)	(43,355)
Balance at November 30, 2011	$ 112,461	$ 112,461	$ (155,572)	$ 69,350
Partners' cash contribution	18,438	18,438	—	36,876
Net loss	—	—	(33,857)	(33,857)
Balance at November 30, 2012	$ 130,899	$ 130,899	$ (189,429)	$ 72,369
Partners' cash contribution	12,155	12,155	—	24,310
Net loss	—	—	(29,237)	(29,237)
Balance at November 30, 2013	$ 143,054	$ 143,054	$ (218,666)	$ 67,442

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS
(U.S. dollars in thousands)

NOTE 1 – NATURE OF OPERATIONS AND ECONOMIC DEPENDANCE

Donlin Gold LLC ("Donlin" or the "Company") operates in the mining industry focused on the exploration and development of the Donlin Gold Project. The Company has no operations or realized revenues from its planned principal business purpose, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 915 "Development Stage Entities", presents its financial information as an Exploration Stage Enterprise.

On December 1, 2007, Barrick Gold U.S. Inc. ("Barrick") and NOVAGOLD Resources Alaska, Inc. ("NOVAGOLD") formed Donlin as a Delaware limited liability corporation ("LLC") to advance the Donlin Gold Project in Alaska. Donlin Gold LLC has a board of four directors, with two nominees selected by each company. All significant decisions related to Donlin Gold LLC require the approval of both companies. The Company currently depends on Barrick and NOVAGOLD for all of its funding and has received commitments from its shareholders that they will fund the Company for the next 12 months.

The Donlin Gold Project is located in southwestern Alaska on private, Alaska Native-owned mineral and surface land and Alaska state mining claims.

During the year ended November 30, 2013, Donlin Gold LLC continued to advance permitting of the Donlin Gold Project. The Donlin Gold LLC Board of Directors approved of the Project's Updated Feasibility Study in July 2012 and Donlin Gold LLC subsequently submitted a Plan of Operations and the Wetlands Permit Application under Section 404 of the U.S. Clean Water Act to the U.S. Army Corps of Engineers (the "Corps"), formally initiating the permitting process. This permit application triggered the start of the process of preparing an Environmental Impact Statement ("EIS") under the National Environmental Policy Act ("NEPA"). The Corps, which is the lead agency for the NEPA process, selected URS Alaska Inc., an independent contractor to prepare the EIS. The Corps and URS continue to work towards planned issuance of the draft EIS for public review in late 2014 and issuance of the final EIS and associated permits record of decision in late 2015.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation

These financial statements are presented in United States dollars and have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP").

Use of estimates

The preparation of the Company's Financial Statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions relate to future cash flow estimates utilized in impairment calculations and environmental, reclamation and closure obligations. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will differ from amounts estimated in these financial statements.

Exploration and development stage activities

All direct costs related to the acquisition of mineral property interests are capitalized. Mineral property exploration expenditures are expensed when incurred. When it has been established that a mineral deposit is commercially mineable, an economic analysis has been completed in accordance with SEC Industry Guide 7 and

permits are obtained, the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Capitalized costs will be amortized following commencement of commercial production using the unit of production method over the estimated life of proven and probable reserves.

Property and equipment

On initial recognition, property and equipment are valued at cost. Property and equipment are subsequently measured at cost less accumulated depreciation. Depreciation is recorded over the estimated useful life of the assets at the following annual rates:

Computer equipment – 5 years straight line;
Computer software – 5 years straight line;
Furniture and equipment – 5 years straight line; and
Leasehold improvements – straight-line over the lease term.

Additions during the year are depreciated at one-half the annual rates. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Mineral properties

The mineral property was jointly owned by Barrick and NOVAGOLD through an unincorporated joint venture prior to the formation of the LLC. Upon formation of the LLC, the mineral property contributed was recorded based on the predecessor accounting values of Barrick and NOVAGOLD. As such, mineral properties include the historic acquisition cost as the partners' initial contribution to Donlin Gold LLC. Mineral property expenditures are expensed as incurred except for expenditures associated with the acquisition of mineral property assets through a business combination or asset acquisition.

Asset retirement obligations

The Company records a liability based on the best estimate of costs for site closure and reclamation activities that the Company is legally or contractually required to remediate are recorded at the time environmental disturbance occurs. The asset retirement obligation is estimated using expected cash flows based on engineering and environmental reports and accreted to full value over time through periodic charges to income. Adjustments to the reclamation obligation arising from changes in estimates are allocated to the mineral property.

Income taxes

The LLC is not a taxable entity for income tax purposes. Accordingly, no recognition is given to income taxes for financial reporting purposes. Tax on the net income (loss) of Donlin is borne by the owners through the allocation of taxable income (loss). Net income for financial statement purposes may differ significantly from taxable income for the owners as a result of differences between the tax basis and financial reporting basis of assets and liabilities and the taxable income allocation requirements under the shareholders agreement.

Impairment of long-lived assets

Management assesses the possibility of impairment in the carrying value of its long-lived assets whenever events or circumstances indicate that the carrying amounts of the asset or asset group may not be recoverable. Management calculates the estimated undiscounted future net cash flows relating to the asset or asset. When the carrying value of an asset exceeds the related undiscounted cash flows, the asset is written down to its estimated fair value, which is usually determined using discounted future cash flows. Management's estimates of mineral prices, mineral resources, foreign exchange, production levels and operating capital and reclamation costs are subject to risk and uncertainties that may affect the determination of the recoverability of the long-lived asset. It is possible that material changes could occur that may adversely affect management's estimates.

(U.S. dollars in thousands)

Trade payables

The fair value of the Company's financial liabilities, such as accounts payable and accrued liabilities approximates their carrying values at November 30, 2013 due to their short-term nature.

Due to Related Parties

The amounts due to Barrick and NOVAGOLD are non-interest bearing, unsecured and without specified terms of repayment.

NOTE 3 – PROPERTY AND EQUIPMENT

	At November 30,	
	2013	2012
Property and equipment	$ 2,298	$ 2,262
Accumulated depreciation	(1,215)	(798)
	1,083	$ 1,464

NOTE 4 – RELATED PARTY TRANSACTIONS

Barrick and NOVAGOLD provided management and support services to Donlin Gold LLC as follows:

	Year ended November 30,		
	2013	2012	2011
Barrick	$ 3,044	$ 3,263	$ 2,985
NOVAGOLD	258	236	551
	$ 3,302	$ 3,499	$ 3,536

Amounts payable to related parties were as follows:

	At November 30,	
	2013	2012
Barrick	$ 226	$ 254
NOVAGOLD	1,769	45
	$ 1,995	$ 299

NOTE 5 – RECLAMATION AND REMEDIATION

Although the ultimate amount of the reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted amount of estimated cash flows required to settle the Company's estimated obligations is $1,384. The amount has not been discounted due to the uncertainty of the timing of the reclamation activities due to the project's current permitting activities. Significant reclamation and closure activities include rehabilitation and decommissioning of the camp and drill sites.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

General

The Company follows ASC guidance in determining its accruals and disclosures with respect to loss contingencies. Accordingly, estimated losses from loss contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable that a liability could be incurred and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the financial statements when it is at least reasonably possible that a material loss could be incurred.

Donlin has a royalty agreement entitling the counterparty to a net proceeds royalty of 8%, after deducting certain capital and operating expenses. The royalty is subject to positive future mine operating cash flows.

Obligations under operating leases

The Company leases certain assets, such as mineral property, land, office equipment and office facilities, under operating leases expiring at various dates through 2016. Future minimum annual lease payments are $1,446 in 2014, $1,740 in 2015 and $1,384 in 2016. Rent expense for 2013, 2012 and 2011 was $426, $470 and $502, respectively.

NOTE 7 – SUBSEQUENT EVENTS

There were no events after the balance sheet date which would require adjustment to these financial statements (2012: none).

Attachment 3
Pipeline Alignment Project (Map)