



2009 Annual Reclamation Report

The Pebble Project

Iliamna, Alaska

Prepared by: JBN Consultants, Inc.
Eagle River, Alaska

8 March 2010



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1.0 INTRODUCTION

This report summarizes information related to land reclamation conducted by the Pebble Project during 2009. The Pebble Project is a mineral exploration and development project owned by the Pebble Limited Partnership (PLP), an Alaska limited partnership formed between a wholly owned U.S. subsidiary of Anglo American PLC and a wholly owned U.S. entity of Northern Dynasty Minerals, Ltd.

Land reclamation was conducted between May and October 2009 concurrently with exploration in accordance with Miscellaneous Land Use Permit For Hardrock Exploration & Reclamation A096118 (effective dates 26 February 2009 through 31 December 2010) granted by the Alaska Department of Natural Resources, Division of Mining, Land & Water (ADNR-DMLW) on 26 February 2009. This permit was granted to:

*Pebble East Claims Corporation & Pebble West Claims Corporation
3201 C Street, Suite 604
Anchorage, Alaska 99503*

written in accordance with and subject to general stipulations of Alaska Statute 27.19 (Reclamation); Alaska Statute 38.05 (Alaska Land Act); Alaska Administrative Code, Title 11, Chapter 86 (Mining Rights); Chapter 96 (Miscellaneous Land Use), and Chapter 97 (Mining Reclamation).

1.1 Location

The Pebble Project is located in southwestern Alaska, 200 miles from Anchorage and 60 miles from tidewater at Cook Inlet and 17 miles NW of Iliamna, Alaska. The Pebble property consists of approximately 98,600 acres of Alaska state mineral claims, hosting one of the world's most important accumulations of copper, gold and molybdenum.

1.2 Reclamation Project Objectives

The primary objective for land reclamation is to initiate proactive measures to minimize the impact to the land surface. As stipulated in the Pebble Project Miscellaneous Land Use Permit (MLUP):

- Surface disturbance shall be held to a minimum, and will be reclaimed by backfilling, contouring, and spreading of organic rich overburden to promote stabilization and natural revegetation.
- The area reclaimed shall be reshaped to blend with surrounding physiography using strippings and overburden, and then be stabilized to a condition that shall retain sufficient moisture to allow for natural revegetation.
- Exploration trenches shall be backfilled and the surface stabilized to prevent erosion. Brush piles, stumps, topsoil, and other organics shall be spread on the backfilled surface to inhibit erosion and promote natural revegetation.

- Upon completion of drilling activities, drill pads shall be reclaimed as necessary, including reseeded, to encourage natural revegetation of the sites and protect them from erosion.

2.0 SITE SUMMARY

2.1 Access

As in previous years, exploration activities were supported via helicopter in 2009. Other than the exception noted below all access to the exploration site from Iliamna and within the deposit area were made via helicopter stationed at the Iliamna Airport.

- Bulk fuel was transported to Wiggly Heliport via light fixed wing aircraft operating off Big Wiggly Lake. During past years, a temporary ice winter airstrip was made on top of Big Wiggly Lake by back blading and leveling the snow over an area of approximately 100 ft. x 2,500 ft. This year drilling operations began in May and ended in October; therefore, a temporary ice strip was not needed for fuel delivery.

2.2 Support Structures

- All personnel were lodged off-site in the town of Iliamna.
- The following temporary structures are located within the Pebble claim area (as stipulated in the MLUP A096118 all will be removed when no longer needed):
 - The “MedPort” houses an Emergency Medical Technician (EMT) 24 hours, 7 days per week during drilling activities.
 - The “Supply Depot” formerly known as the “Camp” built in 2004 (T3S, Range 35W, SE¼ SE¼ Section 21) is comprised of several temporary structures used for general storage and warehouse of drill components.
 - The “Water Shed” which consists of two temporary structures is used to store and thaw waterlines used for drill operations.
 - The “Reclamation Shed” attached to the MedPort is used to store reclamation tools and additional spill response materials.
 - Drill platforms are enclosed to protect the drill crews from weather. Several small structures were also located at each drill site. The buildings are used for employee safety and storage. An emergency shelter was either a WeatherPort tent or small wooden building, and was heated and stocked with emergency supplies (e.g., extra food and blankets). Structures were initially built in Iliamna and moved via helicopter to each site. All are temporary, heli-portable, and moved with the drills when the borehole was complete.



2.3 Fuel

Daily project activities were performed in accordance with the Spill Prevention Control and Countermeasures Plan (SPCC Plan) dated 27 July 2007.

- Bulk fuel for the Pebble Project was supplied by Crowley Fuel Services, Iliamna Development Corporation, Iliamna Air Guides, and Iliamna Lake Lodge, Inc. from their facilities in Iliamna.
- Maximum quantity of 5,000 gallons of diesel fuel was stored at two sites (i.e., Wiggly Heliport and Core Yard #2 in Iliamna). Fuel was transferred into 110-gallon Department of Transportation-approved fly tanks and transported via helicopter to drill sites for daily operations. The quantity of fuel stored at each drill rig was less than 600 gallons positioned within secondary containment structures.
- Fuel storage sites were located at least 100 ft. from water bodies.
- Fuel was stored in double-walled above ground storage tanks positioned within aluminum secondary containments or poly-lined fuel storage areas. In accordance with State of Alaska regulations, secondary containments are constructed to have greater than 110% capacity of the largest fuel storage tank.
- Emergency spill kits and absorbent materials are kept at each fuel storage site.
- If sheen was observed on storm-water within the secondary containment, the water was treated through an Absorbent W® water scrubbing system. One of these water treatment units was available at each fuel storage site.

3.0 PROPOSED VS. ACTUAL PROJECT ACTIVITIES

According to the Pebble Project MLUP A096118, this operation has been bonded through the State Reclamation Bond Pool for a proposed disturbance of 25.2 acres for the 2009 – 2010 seasons. According to the 2009 – 2010 Plan of Operations for the Pebble Exploration Project, submitted to ADNR on 31 December 2008, project management anticipated a land disturbance of 21.6 acres related to the following activities.

Proposed acreage to be disturbed between January 1, 2009 and December 31, 2010:

- One hundred (100) diamond core drilling boreholes;
- Three hundred and twenty-five (325) mud rotary and reverse circulation drilling borehole sites (hydrologic/ geotechnical drilling);
- Three hundred and twenty (320) shallow soil test pits; and
- Thirty-four (34) seismic lines totaling no more than 220,000 feet.

4.6 acres	Diamond core drilling boreholes
1.0 acres	Upland drill water sump locations
15.0 acres	Mud rotary & reverse circulation drilling sites
0.2 acres	Shallow soil test pits
<u>0.8 acres</u>	Seismic lines
21.6 acres	TOTAL



Total land disturbed during 2009 was 1.52 acres out of the 21.6 acres permitted by MLUP A096118. Activities performed during 2009 included:

Actual acres disturbed between May 3 and October 25, 2009:

- Thirty-three (33) diamond boreholes for exploratory purposes [Diamond Drill Holes (DDH) 9445 through 9477, inclusive];
- Mud rotary and reverse circulation drilling planned for 2009 – 2010 was not conducted this season; therefore, currently no reclamation was necessary for 15 acres permitted for this activity;
- Shallow soil test pit excavation planned for 2009 – 2010 was not conducted this season; therefore, currently no reclamation was necessary for 0.2 acres permitted for this activity; and
- Seismic studies planned for 2009 – 2010 were not conducted this season; therefore, currently no land reclamation was necessary for 0.8 acres permitted for this activity.

1.52 acres	Diamond core drilling boreholes
0.00 acres	Upland drill water sump locations
0.00 acres	Mud rotary & reverse circulation drilling sites
0.00 acres	Shallow test pits
<u>0.00 acres</u>	Seismic lines
1.52 acres	TOTAL

A summary of proposed versus actual land disturbance and site reclamation activities is presented in Table 1.

For the purposes of the 2009 – 2010 Plan of Operations and this report, the values for land disturbance were calculated based on the condition of the drill site prior to rig setup (i.e., mineral soil disturbance and footprint of temporary structures set on top of tundra pads); therefore, values take into account crushed vegetation as well as mineral soil disturbance. In recent correspondence, ADNR-DMLW has indicated that PLP has been overestimating the actual land disturbance given that “the disturbed acreage should include ground where the vegetative matt has been removed or destroyed. It should not include areas where the vegetation has simply been compressed or covered by decking.” (Fredericksen 26 February 2010 letter, Appendix A). Typically, the areal disturbance of mineral soil at a diamond core drill site consists of a 3-ft by 20-ft trench extending from the drill collar to a series of three 4-ft by 12-ft drill sumps which catch drill cuttings and make a reservoir for fluid discharge. **Based on this information, the actual land disturbance was 6,732 ft² or 0.15 acres (equivalent to an area approximately 82 ft by 82 ft) for the 33 diamond core drill sites completed during 2009.**

Future land permitting applications will take this into account and base land disturbance on the estimated areal extent of mineral soil disturbance.



Table 1. 2009 PLP Project Activities: Proposed Vs Actual Disturbed Acreage

Activity	2009 – 2010					2010
	2-Yr Proposal		First Year Actual (2009)			To Be Reclaimed (acres)
	Number of Sites	Estimated Disturbance (acres)	Number of Sites	Disturbance (acres)	Reclaimed (acres)	
Diamond core drilling	100	4.6	33	1.52	1.01	0.51
Upland drill water sump		1.0	0	0.00	0.00	0.00
Mud Rotary/RC drilling	325	15.0	0	0.00	0.00	0.00
Shallow Test pits	320	0.2	0	0.00	0.00	0.00
Seismic lines	34	0.8	0	0.00	0.00	0.00
subtotal acres (2009)		21.60		1.52	1.01	
2008 sites reclaimed			66		3.02	
2008 sites left to be reclaimed			0			0.00
2009 holes left to be reclaimed			11			0.51
Grand Total Acres		21.60		1.52	4.03	0.51

Table Notes:

RC = Reverse Circulation

Upland Drill Water Sump = when necessary to keep water away from streams, lakes, and wetlands drill water is pumped to an upland location for infiltration into the ground.

Disturbed Acreage = values were calculated based on the condition of the drill site prior to rig setup (e.g., mineral soil disturbance and footprint of temporary structures set on top of tundra pads); therefore, values take into account crushed vegetation as well as mineral soil disturbance.

4.0 SITE RECLAMATION

4.1 Site Operations – 2009

During 2009 a total of 4.03 acres were reclaimed from work completed during the 2008/09 field programs, leaving approximately 0.5 acres to be reclaimed as soon as conditions allow. A summary of reclamation activities is provided in Table 2.

2009 Land Disturbance Vs. Reclamation (1 acre = 43,560 sq ft.)

- 3.02 – disturbed acres remaining following 2008 program, reclaimed during 2009
- 0.00 – acres remaining to be reclaimed from 2008 exploration program
- 1.52 – total acres disturbed during 2009 exploration program
- 1.01 – acres disturbed during 2009 exploration program, reclaimed during 2009
- 0.51 – acres disturbed from 2009 exploration program remaining to be reclaimed

4.1.1 Diamond Core Drilling

Thirty-three boreholes were drilled using three diamond core drill rigs during the 2009 field season. Boreholes were abandoned in accordance with the Pebble Project MLUP A096118. Twenty-two of these 33 boreholes were reclaimed during 2009 and the other 11 boreholes (DDH 9465, 9466, 9469 through 9477) will be reclaimed as soon as conditions allow in 2010.

Twenty-one diamond core boreholes remaining from the 2008 field season were reclaimed during 2009 (i.e., DDH 8414, 8418, 8420, 8422, 8423, 8429 through 8444).

When reclamation was completed the disturbed land surface was recontoured and reseeded with native vegetation. Straw was spread on-site to minimize erosion and to help retain sufficient moisture to allow for natural revegetation.

4.1.2 Mud Rotary and Reverse Circulation Drilling

There were no mud rotary or reverse circulation borehole sites drilled during the 2009 field season. Forty-five sites remaining from the 2008 field season were reclaimed during 2009 (i.e., GH08-137, -152, -154, -157, -173 through -176, -179, -180, -188 through -190, -192 through -210 and P08-63, -66, -72, -75, -79 through -81, -83, -84, -86 through -89).

When reclamation was completed the disturbed land surface was recontoured and reseeded with native vegetation.

4.1.3 Shallow Soil Test Pit

There were no shallow soil test pits excavated during the 2009 field season; therefore, there was no land reclamation required for this activity.

4.1.4 Seismic Lines

Seismic surveys proposed for 2009 – 2010 have not yet been completed; therefore, there was no land reclamation required for this activity.

A figure depicting the locations of all activities undertaken in 2009 is located in Appendix B. Representative photographs of typical reclaimed drill sites are provided in Appendix C. A copy of the 2009 Annual Reclamation Statement is presented in Appendix D. Complete photographic evidence of land reclamation for all 2009 exploration sites is on file in the PLP field office and available upon request.

4.2 Sumps and Pumps

During initial rig set-up, a helicopter supported mini-excavator was mobilized to the site to excavate sumps to catch the drill cuttings and to make a reservoir for the fluid discharge. For this purpose, typically one to three sumps were excavated with dimensions each measuring approximately 4-feet x 12-feet x 8-feet deep. The water generated from drill operations was either recirculated and reused for drilling or pumped to an upland drill water sump location away from streams, lakes, and wetlands for natural infiltration to the ground.

Once drilling was completed at each site the mini-excavator was used to backfill and recontour the sumps and trenches. The retained surface vegetation was replaced and /or replanted to inhibit erosion and enhance natural revegetation.

4.3 Tundra Pads

Drill components were placed on top of temporary wooden platforms constructed of timbers and decking. Approximately ten to twelve 8-ft x 16-ft “tundra pads” and wooden boardwalks were placed at high traffic areas around the drill site to minimize the impact to the ground surface. They were moved into position via helicopter during initial rig set-up and demobilized when the borehole was complete.

Once the tundra pads were removed project staff used the back of a rake to massage the tundra to spring back to its original position.

4.4 Solid Waste Management

A temporary wooden “Flying Dumpster” was positioned at each project site to prevent trash from blowing away during high winds and helicopter sling-load operations. When full these dumpsters were slung via helicopter to Iliamna where trash and debris was sorted for transport to an off-site recycling facility or incineration in Iliamna.

A portable toilet consisting of a bucket with a plastic bag insert and snap on seat was positioned at each drill site. Human solid waste was transported off-site to Iliamna where it was shipped to Safety Waste Incineration in Wasilla, Alaska, for treatment.



5.0 DATE

This report is dated 8 March 2010.

The undersigned prepared the report entitled “2009 Annual Reclamation Report – The Pebble Project Iliamna, Alaska.” A Certificate of Author is provided in Appendix E.

/s/ Jeffrey B. Norberg, President JBN Consultants, Inc.

Jeffrey B. Norberg, B.Sc. Geo.

Table 2. 2009 Pebble Exploration Project - Reclamation Status

PRE_DRILL	HOLE_ID	ADL Number	ADL Claim Name	Township	Range	Section	NAD83 AK State Plane Zone 5		Long_NAD83	Lat_NAD83	LongDMS_NAD83	LatDMS_NAD83
				(Seward Meridian)			Easting	Northing				
Disturbed in 2008 - Reclamation Completed in 2009												
Diamond Drill Boreholes												
P_AUG07_G	DDH 8414	642364	PEB EB 27	3S	35W	NW26	1409702.79	2155203.13	-155.256	59.894	-155 15 23.0076	59 53 37.0644
P_AUG07_C	DDH 8418	524684	Sill 7343	3S	35W	NE27	1407183.10	2154217.00	-155.270	59.891	-155 16 12.0216	59 53 26.88
GT08-06	DDH 8420	642364	PEB EB 27	3S	35W	NW26	1409596.00	2155035.00	-155.257	59.893	-155 15 25.038	59 53 35.3868
GT08-03	DDH 8422	524699	Sill 7444	3S	35W	NE27	1407855.80	2155146.50	-155.266	59.893	-155 15 59.184	59 53 36.1608
P_AUG07_Q	DDH 8423	524716	Sill 7547	3S	35W	SE23	1412076.30	2156908.50	-155.244	59.898	-155 14 37.1184	59 53 54.2976
MP8-7S	DDH 8429M	516809	Pebble Beach 5451	3S	35W	SW21	1400804.80	2156732.10	-155.305	59.897	-155 18 17.9856	59 53 50.424
8K	DDH 8430	524823	Pebble Beach 5155	3S	35W	SW27	1405886.00	2152581.00	-155.277	59.886	-155 16 36.822	59 53 10.5216
MP8-17S	DDH 8431M	516810	Pebble Beach 5452	3S	35W	SW21	1401910.80	2157009.40	-155.299	59.898	-155 17 56.4144	59 53 53.3688
MP8-11C	DDH 8432M	516810	Pebble Beach 5452	3S	35W	SW21	1401643.30	2156061.00	-155.300	59.896	-155 18 1.2924	59 53 43.98
MP8-14C	DDH 8433M	516874	Pebble Beach 5353	3S	35W	NE28	1402203.00	2155702.00	-155.297	59.895	-155 17 50.1864	59 53 40.5528
MP8-13C	DDH 8434M	524828	Pebble Beach 5455	3S	35W	SW22	1405379.00	2156448.90	-155.280	59.897	-155 16 48.2196	59 53 48.516
MP8-1E	DDH 8435M	540430	Sill 7743	3S	35W	NE22	1406442.10	2159046.20	-155.275	59.904	-155 16 28.362	59 54 14.2956
P_AUG07_B	DDH 8436	524698	Sill 7443	3S	35W	NE27	1406780.00	2154840.00	-155.272	59.893	-155 16 20.154	59 53 32.9388
MP8-12C	DDH 8437M	542569	Pebble Beach 5656	3S	35W	NE22NW22	1405296.20	2158819.80	-155.281	59.903	-155 16 50.7432	59 54 11.8476
GT08-01	DDH 8438	524714	Sill 7545	3S	35W	SW23	1409100.00	2156250.00	-155.260	59.897	-155 15 35.2116	59 53 47.2596
MP8-15C	DDH 8439M	516812	Pebble Beach 5454	3S	35W	SW22	1404646.90	2157027.50	-155.284	59.898	-155 17 2.7888	59 53 54.0744
MP8-3E	DDH 8440M	540424	Sill 7643	3S	35W	SE22	1406460.60	2157298.20	-155.274	59.899	-155 16 27.3396	59 53 57.084
MP8-4E	DDH 8441M	524712	Sill 7543	3S	35W	SE22	1406679.48	2156593.46	-155.273	59.897	-155 16 22.7856	59 53 50.1864
P9-4-8	DDH 8442	524827	Pebble Beach 5355	3S	35W	NW27	1405281.00	2155456.00	-155.280	59.894	-155 16 49.764	59 53 38.7204
GTO-09-15	DDH 8443	540424	Sill 7643	3S	35W	SE22	1407270.00	2158170.00	-155.270	59.902	-155 16 11.802	59 54 5.8212
GTO-09-13	DDH 8444	524826	Pebble Beach 5354	3S	35W	NW27	1403936.00	2154806.00	-155.288	59.892	-155 17 15.8784	59 53 32.0604
Geotechnical Boreholes (Mud Rotary)												
GH08-GG	GH08-137	524777	Pebble Beach 4054	4S	35W	NW10	1404282.30	2137817.80	-155.284	59.846	-155 17 2.6376	59 50 44.8368
GH07-NN GH08-CT	GH08-152	566920	Pebble Beach 4441	4S	36W	NE1	1386914.10	2144131.50	-155.379	59.862	-155 22 45.1056	59 51 43.5708
GH08-FN	GH08-154	531409	Pebble Beach 4844	3S	35W	NE31	1391259.60	2149451.80	-155.356	59.877	-155 21 22.1544	59 52 36.8436
GH08-AA	GH08-157	531410	Pebble Beach 4845	3S	35W	NE31	1391521.80	2148413.30	-155.355	59.874	-155 21 16.6032	59 52 26.67
GH08-CG	GH08-173	642414	PEB WB 3	3S	36W	SW34	1372111.00	2146475.14	-155.460	59.868	-155 27 35.9424	59 52 3.5256
GH08-CH	GH08-174	644258	PEB WB 42	4S	36W	NW3	1373009.24	2145191.29	-155.455	59.864	-155 27 17.802	59 51 51.0768
GH08-CA	GH08-175	642414	PEB WB 3	3S	36W	SW34	1373748.68	2147146.99	-155.451	59.870	-155 27 4.1616	59 52 10.4952
GH08-CK	GH08-176	644270	PEB WB 54	4S	36W	NW10	1371615.00	2140250.69	-155.462	59.851	-155 27 42.966	59 51 2.1276
GH08-BC	GH08-179	531449	Pebble Beach 5844	3S	35W	SE18	1391460.98	2162015.32	-155.356	59.911	-155 21 23.2488	59 54 40.6008
GH08-BD	GH08-180	531453	Pebble Beach 5944	3S	35W	SE18	1391006.19	2162955.16	-155.359	59.914	-155 21 32.5476	59 54 49.7628
GH08-FK	GH08-188	566970	Pebble Beach 5639	3S	36W	NW24	1384804.44	2159682.86	-155.392	59.905	-155 23 32.8128	59 54 16.272
GH08-GI	GH08-189	531446	Pebble Beach 5745	3S	35W	NE19	1392768.89	2160624.64	-155.349	59.908	-155 20 57.048	59 54 27.1692
GH08-FR	GH08-190	566850	Pebble Beach 3741	4S	36W	NE13	1386093.10	2134336.10	-155.383	59.835	-155 22 57.1764	59 50 6.9468
GH08-FX	GH08-192	531434	Pebble Beach 5445	3S	35W	SE19	1392336.29	2156358.01	-155.351	59.896	-155 21 3.8232	59 53 45.0672
GH08-DO	GH08-193	566865	Pebble Beach 3838	4S	36W	SW12	1383319.30	2136061.00	-155.398	59.840	-155 23 52.152	59 50 23.3592
GH08-AF	GH08-194	531423	Pebble Beach 5146	3S	35W	SW29	1392891.20	2153258.11	-155.348	59.887	-155 20 51.7092	59 53 14.6544
GH08-DN	GH08-195	640095	PEB N 35	4S	36W	NW14	1377407.53	2132719.13	-155.430	59.830	-155 25 46.4124	59 49 49.2096
GH08-AE	GH08-196	531424	Pebble Beach 5147	3S	35W	SW29	1394472.55	2152344.30	-155.339	59.885	-155 20 20.364	59 53 5.9712

Table 2. 2009 Pebble Exploration Project - Reclamation Status

PRE_DRILL	HOLE_ID	ADL Number	ADL Claim Name	Township	Range	Section	NAD83 AK State Plane Zone 5		Long_NAD83	Lat_NAD83	LongDMS_NAD83	LatDMS_NAD83				
				(Seward Meridian)			Easting	Northing								
GH08-DL	GH08-197A	644273	PEB WB 57	4S	36W	NE11	1376956.00	2138198.73	-155.433	59.845	-155 25 57.5616	59 50 43.0692				
	GH08-197B						1376947.44	2138184.68					-155.433	59.845	-155 25 57.7236	59 50 42.9288
GH08-FY	GH08-198	524835	Pebble Beach 5848	3S	35W	SE17	1395935.51	2162342.65	-155.332	59.912	-155 19 55.6392	59 54 44.7192				
GH08-FQ	GH08-199	644273	PEB WB 57	4S	36W	NE11	1380179.37	2139427.60	-155.415	59.849	-155 24 54.9972	59 50 55.8528				
GH08-EJ	GH08-200	524846	Pebble Beach 6051	3S	35W	NW16	1399868.82	2164708.19	-155.311	59.919	-155 18 39.4272	59 55 8.7888				
GH08-EI	GH08-201	516834	Pebble Beach 6052	3S	35W	NE16	1401337.43	2164346.60	-155.303	59.918	-155 18 10.4832	59 55 5.5128				
GH08-GD	GH08-202	516836	Pebble Beach 6054	3S	35W	NW15	1404030.36	2163893.67	-155.288	59.917	-155 17 17.4948	59 55 1.5708				
GH08-CL	GH08-203	644270	PEB WB 54	4S	36W	NW10	1373794.46	2140309.15	-155.450	59.851	-155 27 0.3348	59 51 3.1752				
GH08-FW	GH08-204	642338	PEB EB 1	3S	35W	SW35	1408822.20	2146402.20	-155.260	59.870	-155 15 36.9828	59 52 10.2288				
GH08-FT	GH08-205	531649	Pebble Beach 4546	4S	35W	NW5	1393050.60	2145204.90	-155.346	59.865	-155 20 45.3804	59 51 55.386				
GH08-AB	GH08-206	531410	Pebble Beach 4845	3S	35W	NE31	1392478.90	2149488.50	-155.350	59.877	-155 20 58.2864	59 52 37.452				
GH08-Q	GH08-207	642338	PEB EB 1	3S	35W	SW35	1410637.90	2147466.20	-155.251	59.873	-155 15 1.818	59 52 21.0468				
GH08-FM	GH08-208	531414	Pebble Beach 4945	3S	35W	NE31	1392562.40	2150662.70	-155.349	59.880	-155 20 57.1164	59 52 49.0296				
GH08-FV	GH08-209	642334	PEB EB A1	4S	35W	NWNW2	1409363.30	2144557.20	-155.257	59.865	-155 15 25.7004	59 51 52.164				
GH08-O	GH08-210	524595	Sill 6843	3S	35W	SE34	1407170.60	2146875.40	-155.269	59.871	-155 16 9.5088	59 52 14.5812				
Hydrologic Boreholes (Reverse Circulation)																
HH08-S	P-08-63D	643925	PEB SE 27	4S	35W	NE20	1396023.51	21283000.74	-155.328	59.819	-155 19 40.5444	59 49 9.5196				
	P-08-63M						1396055.91	2128305.18					-155.328	59.819	-155 19 39.9108	59 49 9.57
	P-08-63S						1396029.37	2128349.29					-155.328	59.819	-155 19 40.4472	59 49 9.9984
HH08-P	P-08-66D	566868	Pebble Beach 3841	4S	36W	SE12	1386752.46	2135964.56	-155.379	59.840	-155 22 44.9544	59 50 23.1216				
	P-08-66S						1386730.42	2135942.34					-155.379	59.840	-155 22 45.3756	59 50 22.8984
HH08-F	P-08-72D	566995	Pebble Beach 6142	3S	35W	NW18	1388955.77	2166366.38	-155.371	59.923	-155 22 14.1528	59 55 22.944				
	P-08-72S						1388916.98	2166379.66					-155.371	59.923	-155 22 14.9196	59 55 23.0664
HH08-V	P-08-75D	540421	Pebble Beach 6533	3S	35W	NE9	1403241.14	2170960.69	-155.293	59.936	-155 17 35.9988	59 56 10.6188				
	P-08-75M						1403194.56	2170926.32					-155.294	59.936	-155 17 36.708	59 56 10.6008
	P-08-75S						1403218.72	2170945.40					-155.293	59.936	-155 17 36.2292	59 56 10.8888
HH08-K	P-08-79D						1361307.41	2166413.72	-155.521	59.922	-155 31 16.6476	59 55 17.4504				
	P-08-79M						1361318.68	2166364.90					-155.521	59.922	-155 31 15.9564	59 55 17.4
	P-08-79S						1361321.10	2166390.78					-155.521	59.921	-155 31 16.2948	59 55 17.0292
HH08-L	P-08-80D						1355540.97	2154870.74	-155.551	59.890	-155 33 4.32	59 53 22.56				
	P-08-80M						1355511.74	2154890.28					-155.551	59.890	-155 33 4.9896	59 53 22.6932
	P-08-80S						1355519.05	2154922.63					-155.551	59.890	-155 33 4.8276	59 53 22.974
HH08-M	P-08-81D						1350987.17	2143388.25	-155.574	59.858	-155 34 28.1748	59 51 28.3248				
	P-08-81S						1350974.14	2143370.16					-155.575	59.858	-155 34 28.4916	59 51 27.9828
HH08-U	P-08-83D	524751	Pebble Beach 3455	4S	35W	SW15	1405004.06	2130236.06	-155.279	59.825	-155 16 45.0588	59 49 30				
	P-08-83M						1405015.92	2130215.31					-155.279	59.825	-155 16 45.5844	59 49 30.1332
	P-08-83S						1405035.92	2130195.05					-155.279	59.825	-155 16 44.9868	59 49 29.8848
HH08-N	P-08-84D	640084	PEB N 24	4S	36W	SW14	1378294.13	2130954.43	-155.425	59.826	-155 25 28.4412	59 49 32.2212				
	P-08-84S						1378275.85	2130998.74					-155.425	59.826	-155 25 28.74	59 49 32.4732
HH08-AR	P-08-86D	567024	Pebble Beach 6445	3S	35W	NE7	1391936.26	2169841.82	-155.355	59.933	-155 21 17.0568	59 55 57.7488				
	P-08-86S						1391946.96	2169864.64					-155.355	59.933	-155 21 17.0316	59 55 58.0656
HH08-AS	P-08-87D	567025	Pebble Beach 6446	3S	35W	NW8	1393970.24	2169843.61	-155.344	59.933	-155 20 37.2624	59 55 58.1376				
	P-08-87S						1393988.06	2169867.28					-155.344	59.933	-155 20 37.0212	59 55 58.4256
HH08-AA	P-08-88D						1439761.98	2136887.08	-155.091	59.845	-155 5 27.9528	59 50 41.892				
	P-08-88S						1439763.60	2136853.28					-155.091	59.845	-155 5 27.9528	59 50 41.892
HH08-X	P-08-89D						1428724.46	2136845.39	-155.151	59.844	-155 9 4.1076	59 50 39.786				
	P-08-89M						1482774.36	2136886.67					-155.151	59.845	-155 9 3.1248	59 50 40.2072
	P-08-89S						1428782.75	2136857.17					-155.151	59.844	-155 9 2.9376	59 50 39.8652

Table 2. 2009 Pebble Exploration Project - Reclamation Status

PRE_DRILL	HOLE_ID	ADL Number	ADL Claim Name	Township	Range	Section	NAD83 AK State Plane Zone 5		Long_NAD83	Lat_NAD83	LongDMS_NAD83	LatDMS_NAD83
				(Seward Meridian)			Easting	Northing				
Disturbed in 2009 - Reclamation Completed in 2009												
Diamond Drill Boreholes												
D-09-A	DDH 9445	524820	Pebble Beach 5054	3S	35W	SW27	1404508.99	2151283.01	-155.284	59.883	-155 17 3.3108	59 52 57.4788
D-09-C	DDH 9446	516856	Pebble Beach 5053	3S	35W	SE28	1403334.01	2151671.01	-155.291	59.884	-155 17 26.4768	59 53 1.0752
D-09-H	DDH 9447	516856	Pebble Beach 5053	3S	35W	SE28	1402311.01	2150875.00	-155.296	59.881	-155 17 46.2156	59 52 53.04
D-09-G	DDH 9448	524818	Pebble Beach 4954	3S	35W	NW34	1403547.01	2149852.01	-155.289	59.879	-155 17 21.6132	59 52 43.2012
D-09-E	DDH 9449	516847	Pebble Beach 4853	3S	35W	NE33	1402587.01	2149005.01	-155.294	59.876	-155 17 40.092	59 52 34.6764
D-09-J	DDH 9450	524813	Pebble Beach 4854	3S	35W	NW34	1404268.01	2148825.99	-155.285	59.876	-155 17 7.098	59 52 33.2364
D-09-D	DDH 9451	516844	Pebble Beach 4753	3S	35W	SE33	1402502.01	2147714.99	-155.295	59.873	-155 17 41.2656	59 52 21.9576
EX09-L	DDH 9452	524834	Pebble Beach 5750	3S	35W	NW21	1398985.17	2160533.31	-155.315	59.908	-155 18 55.134	59 54 27.504
EX09-Y	DDH 9453	516859	Pebble Beach 5150	3S	35W	SW28	1399306.71	2152167.22	-155.313	59.885	-155 18 45.576	59 53 5.1828
EX09-M	DDH 9454	516828	Pebble Beach 5852	3S	35W	SE16	1401775.77	2162281.63	-155.300	59.913	-155 18 1.0908	59 54 45.2628
EX09-Z	DDH 9455	531416	Pebble Beach 4947	3S	35W	NW32	1394689.80	2149764.93	-155.338	59.878	-155 20 15.18	59 52 40.674
EX09-N	DDH 9456	516833	Pebble Beach 5954	3S	35W	SW15	1403963.50	2163376.87	-155.289	59.916	-155 17 18.7368	59 54 56.5164
EX09-X	DDH 9457	516857	Pebble Beach 5148	3S	35W	SE29	1396214.57	2153192.97	-155.330	59.887	-155 19 46.6356	59 53 14.694
EX09-G	DDH 9458	540405	Pebble Beach 6155	3S	35W	NW15	1405407.05	2165965.90	-155.281	59.923	-155 16 51.0636	59 55 22.2024
EX09-AE	DDH 9459	524806	Pebble Beach 4749	3S	35W	SE32	1397806.60	2147023.19	-155.320	59.871	-155 19 13.0872	59 52 14.2212
EX09-O	DDH 9460	540454	Sill 8143	3S	35W	NE15	1406562.76	2164467.76	-155.274	59.919	-155 16 28.1532	59 55 7.5612
EX09-X (redrill of 9457)	DDH 9461	516857	Pebble Beach 5148	3S	35W	SE29	1396213.13	2153191.10	-155.330	59.887	-155 19 46.6356	59 53 14.694
EX09-AF	DDH 9462	516843	Pebble Beach 4752	3S	35W	SE33	1400978.57	2147491.06	-155.303	59.872	-155 18 11.106	59 52 19.4376
EX09-F	DDH 9463	516837	Pebble Beach 6153	3S	35W	NE16	1402439.46	2165449.69	-155.297	59.921	-155 17 49.3836	59 55 16.6188
EX09-U	DDH 9464	516813	Pebble Beach 5548	3S	35W	SE20	1395278.01	2158085.53	-155.333	59.901	-155 19 58.0872	59 54 2.7612
EX09-C	DDH 9467	524860	Pebble Beach 6350	3S	35W	SW9	1399407.13	2168239.57	-155.313	59.929	-155 18 48.5028	59 55 43.4316
EX09-AB	DDH 9468	516846	Pebble Beach 4852	3S	35W	NE33	1400763.13	2149067.50	-155.304	59.876	-155 18 16.0236	59 52 34.9248
Disturbed in 2009 - Reclamation Planned for 2010												
Diamond Drill Boreholes												
EX09-B	DDH 9465	644243	PEB EB 87	3S	35W	SW2	1410352.78	2173024.65	-155.255	59.942	-155 15 16.9164	59 56 32.5212
EX09-AA	DDH 9466	524816	Pebble Beach 4949	3S	35W	NE32	1397381.35	2150162.60	-155.323	59.879	-155 19 21.216	59 52 44.6952
EX09-A	DDH 9469	567049	Pebble Beach 6650	3S	35W	SW4	1399417.95	2172471.02	-155.314	59.940	-155 18 51.4944	59 56 25.26
EX09-D	DDH 9470	540407	Pebble Beach 6355	3S	35W	SW10	1405086.67	2168937.15	-155.283	59.931	-155 16 58.8072	59 55 51.474
EX09-D1 (redrill of 9470)	DDH 9471	540407	Pebble Beach 6355	3S	35W	SW10	1405087.52	2168936.21	-155.283	59.931	-155 16 58.8072	59 55 51.474
EX09-AM	DDH 9472	524846	Pebble Beach 6051	3S	35W	NW16	1400354.91	2164718.01	-155.308	59.919	-155 18 29.898	59 55 8.9796
EX09-K	DDH 9473	531448	Pebble Beach 5747	3S	35W	NW20	1394898.15	2161017.14	-155.338	59.909	-155 20 15.4572	59 54 31.4604
EX09-P	DDH 9474	540455	Sill 8144	3S	35W	NE15	1407879.56	2163863.62	-155.267	59.917	-155 16 1.9884	59 55 2.0064
EX09-S	DDH 9475	540442	Sill 7943	3S	35W	SE15	1406679.90	2161885.09	-155.274	59.912	-155 16 24.7728	59 54 42.2964
EX09-H	DDH 9476	540467	Sill 8344	3S	35W	SE10	1408377.01	2166734.65	-155.265	59.925	-155 15 53.3088	59 55 30.3708
EX09-P (redrill of 9474)	DDH 9477	540455	Sill 8144	3S	35W	NE15	1407879.56	2163863.62	-155.267	59.917	-155 16 1.9884	59 55 2.0064



Appendix A

**Letter from ADNR-DMLW to PLP
dated 26 February 2010**

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND & WATER -- MINING SECTION

□ 550 WEST 7TH AVENUE, SUITE 920
ANCHORAGE, ALASKA 99501-3650
PHONE: (907) 269-8621
FAX: (907) 269-8930

February 26, 2010

Mike Smith
The Pebble Partnership
3201 C Street, Suite 604
Anchorage, AK 99503

Dear Mr. Smith:

Upon reviewing past reclamation reports from the Pebble Project and from our past inspections, it is quite apparent that the disturbed acreage being reported and bonded for is not based on the same criteria that we find used at other projects in the state. The disturbed acreage should include ground where the vegetative matt has been removed or destroyed. It should not include areas where the vegetation has simply been compressed or covered by decking.

The statutes and regulations governing bonding for the reclamation work are clear in their intent that a unit value greater than \$750 per acre for reclamation can be utilized where the operator believes the costs are higher. I would encourage you to use an average estimated cost based upon those costs recently experienced for helicopter, labor, and materials.

Sincerely,



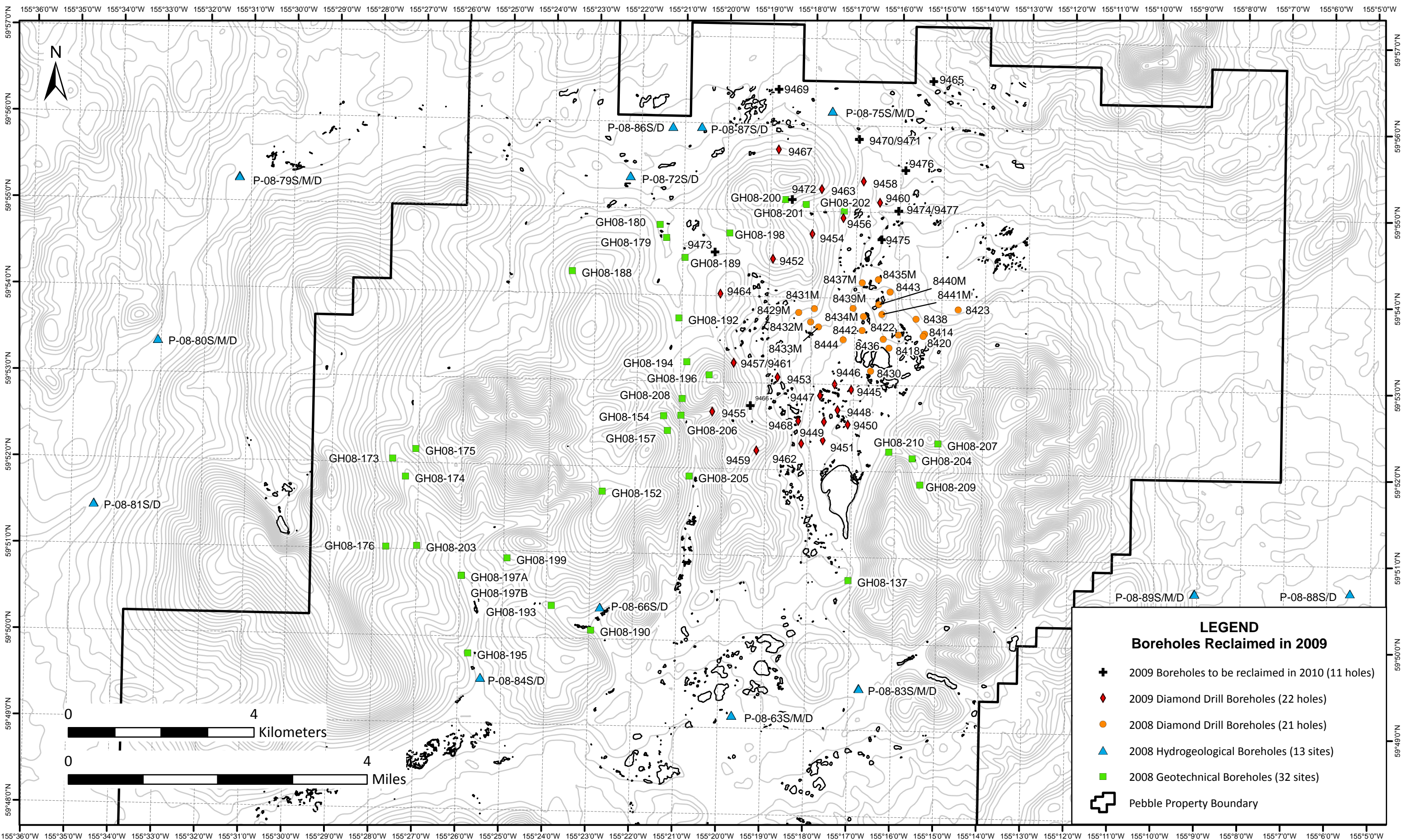
Rick Fredericksen
Mining Section Chief

cc: Kerwin Krause, DNR
Jack Kerin, DNR
Tom Crafford, DNR
Gernot Wober, PPL



Appendix B

Figure Depicting Locations of 2009 Activities



LEGEND

Boreholes Reclaimed in 2009

- ⊕ 2009 Boreholes to be reclaimed in 2010 (11 holes)
- ◆ 2009 Diamond Drill Boreholes (22 holes)
- 2008 Diamond Drill Boreholes (21 holes)
- ▲ 2008 Hydrogeological Boreholes (13 sites)
- 2008 Geotechnical Boreholes (32 sites)
- ▭ Pebble Property Boundary

2009 Reclamation Report
DRILL HOLE LOCATIONS



Projection: Latitude/Longitude, NAD83

Prepared by: RS, February 24, 2010
 Filename: 2009_Reclamation_Year_End_Report_01113010_rs.mxd



Appendix C

Representative Photographs of Typical Reclaimed Drill Sites



Photo 1: Diamond Drill Hole (DDH) 8435 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 25 May 2009: Looking West.



Photo 2: DDH 8435 – Photo Taken Post Reclamation on 20 June 2009; See Photo 1 for Reference; Looking West.



Photo 3: DDH 8438 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 26 May 2009: Looking East.



Photo 4: DDH 8438 – Photo Taken Post Reclamation on 1 August 2009; See Photo 3 for Reference; Looking East.



Photo 5: DDH 8440M – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 31 May 2009: Looking South.



Photo 6: DDH 8440M – Photo Taken Post Reclamation on 24 June 2009; See Photo 5 for Reference; Looking South.



Photo 7: DDH 9445 – Drilled / Reclaimed 2009: Photo Taken Post Drilling on 30 May 2009: Looking South.



Photo 8: DDH 9445 – Photo Taken Post Reclamation on 4 June 2009; See Photo 7 for Reference; Looking South.



Photo 9: DDH 9458 – Drilled / Reclaimed 2009: Photo Taken Post Drilling on 15 September 2009: Looking North.

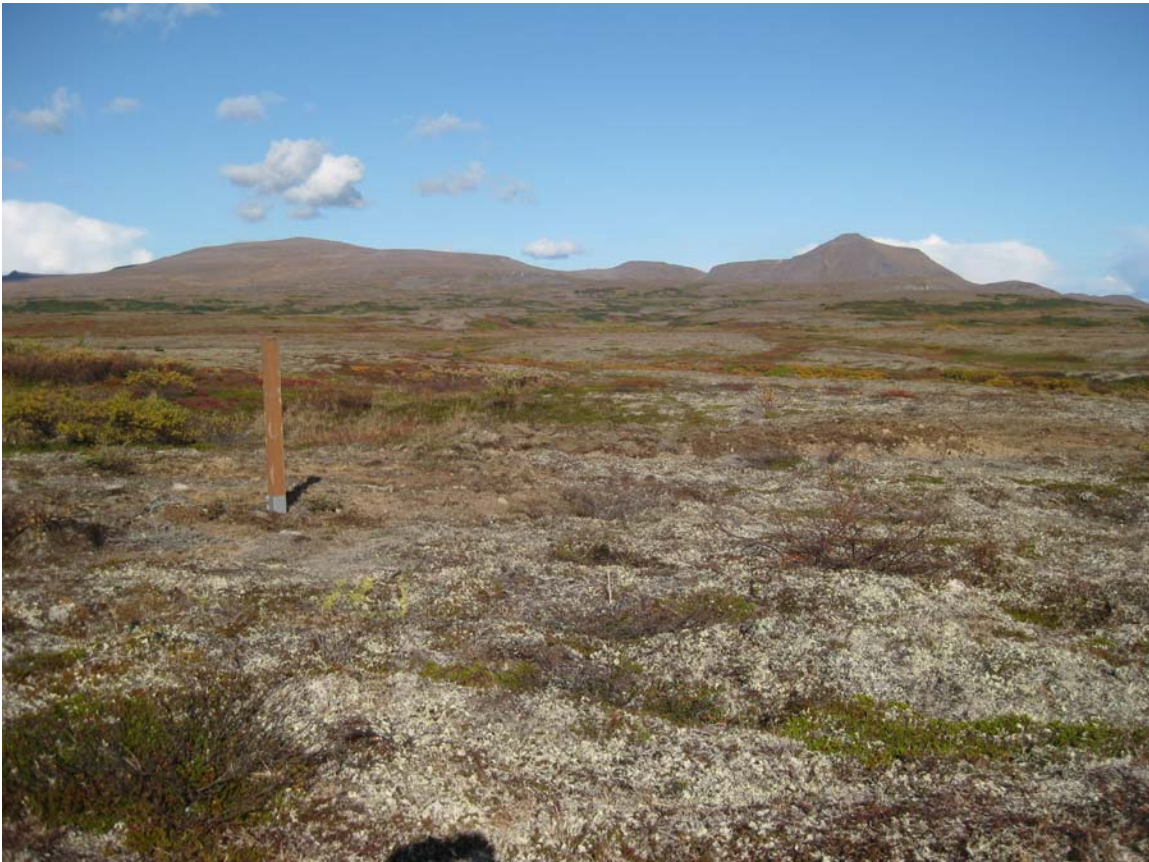


Photo 10: DDH 9458 – Photo Taken Post Reclamation on 19 September 2009; See Photo 9 for Reference; Looking North.



Photo 11: DDH 9460 – Drilled / Reclaimed 2009: Photo Taken Post Drilling on 13 September 2009: Looking East.



Photo 12: DDH 9460 – Photo Taken Post Reclamation on 18 September 2009; See Photo 11 for Reference; Looking East.



Photo 13: DDH 9463 – Drilled / Reclaimed 2009: Photo Taken Post Drilling on 22 September 2009: Looking East.



Photo 14: DDH 9463 – Photo Taken Post Reclamation on 24 September 2009; See Photo 13 for Reference; Looking East.



Photo 15: DDH 9467 – Drilled / Reclaimed 2009: Photo Taken Post Drilling on 1 October 2009: Looking West.



Photo 16: DDH 9467 – Photo Taken Post Reclamation on 20 October 2009; See Photo 15 for Reference; Looking West.



Photo 17: GH08-179 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 29 August 2008: Looking South.



Photo 18: GH08-179 – Photo Taken Post Reclamation on 24 June 2009; See Photo 17 for Reference; Looking South.



Photo 19: GH08-180 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 29 August 2008: Looking West.



Photo 20: GH08-180 – Photo Taken Post Reclamation on 1 August 2009; See Photo 19 for Reference; Looking West.

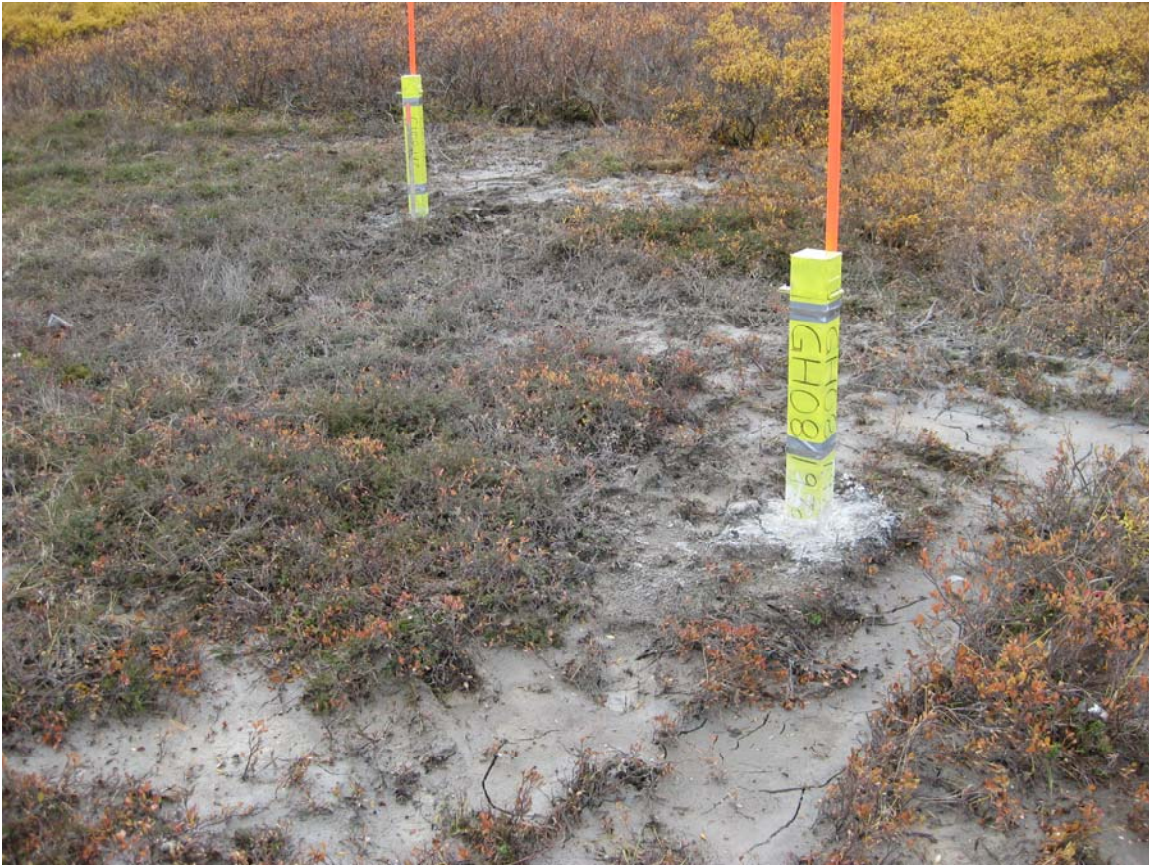


Photo 21: GH08-197 A & B – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 28 September 2008: Looking West.

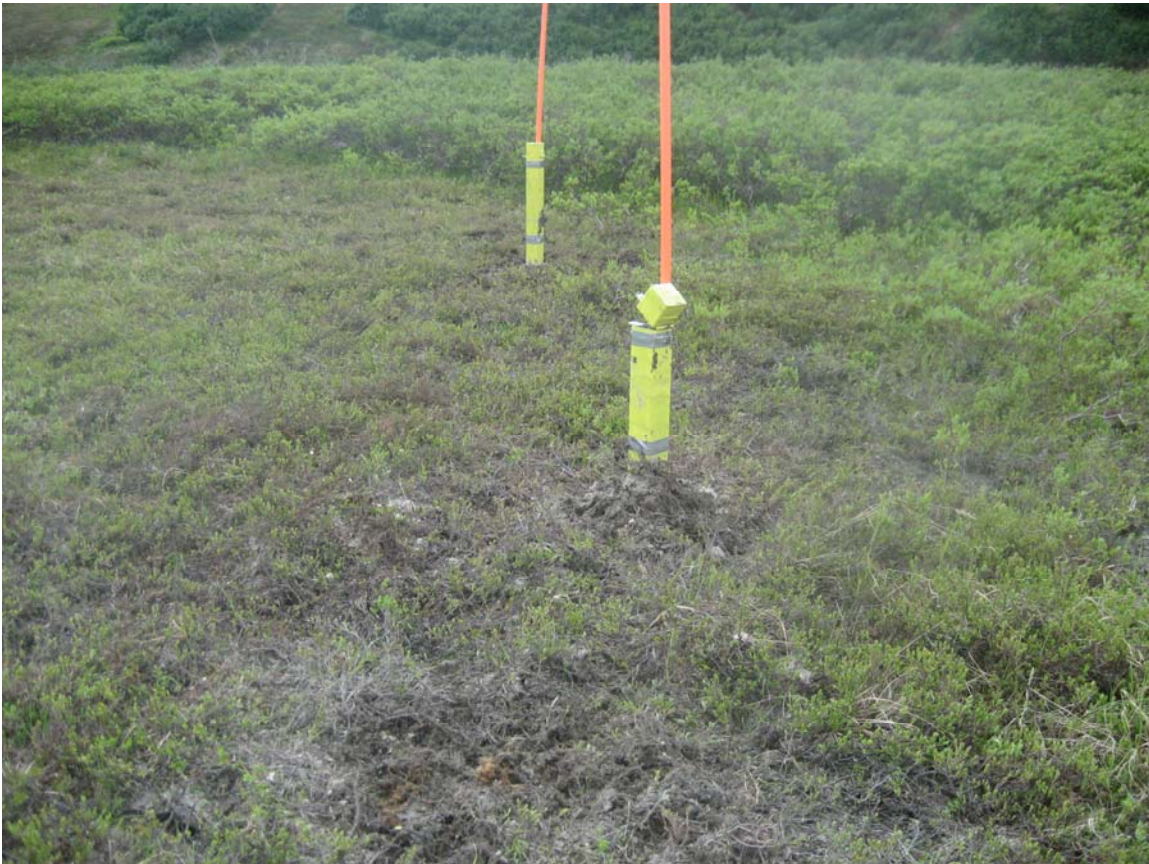


Photo 22: GH08-197 A & B – Photo Taken Post Reclamation on 26 June 2009; See Photo 21 for Reference; Looking West.



Photo 23: GH08-200 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 23 June 2009: Looking East.



Photo 24: GH08-200 – Photo Taken Post Reclamation on 24 June 2009; See Photo 23 for Reference; Looking East.



Photo 25: GH08-202 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 22 June 2009: Looking North.



Photo 26: GH08-202 – Photo Taken Post Reclamation on 22 June 2009; See Photo 25 for Reference; Looking North.



Photo 27: GH08-210 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 3 June 2009: Looking North.



Photo 28: GH08-210 – Photo Taken Post Reclamation on 22 June 2009; See Photo 27 for Reference; Looking North.



Photo 29: P08-85 – Drilled 2008 / Reclaimed 2009: Photo Taken Post Drilling on 17 August 2008: Looking West.



Photo 30: P08-85 – Photo Taken Post Reclamation on 22 June 2009; See Photo 29 for Reference; Looking West.



Appendix D

2009 Annual Reclamation Statement

**2009 ANNUAL RECLAMATION STATEMENT
for
SMALL MINES**

APMA # A096118

Complete and return this statement by December 31, 2009. If you did not operate, fill in name, check bottom box, sign and return form.

In accordance with AS 27.19 (Reclamation Act):

I, Gernot Wober, Director Site Operations hereby file an annual reclamation statement for the 2009 mining operation described in subject Annual Placer Mining Application. **(Submission of this statement does not constitute reclamation approval.)**

Volume of material disturbed in 2009 NA cubic yards (includes strippings and processed material).

Total acreage disturbed in 2009 1.52* acres. (Includes stripped areas, mining cuts, overburden and tailing stockpiles and disposal areas, temporary stream diversions, stream bypasses, and settling ponds). **Federal operators should include area of camp and access roads.**

Length NA feet and Width NA feet of stream diversion.

Stream diversion: [] Temporary [] Permanent (check one).

Total area reclaimed in 2009 4.03* acres.

Total unreclaimed acres: 0.51* (This should match "total acreage currently disturbed" on the Reclamation/Signature page of your 2009 APMA.)

For the areas reclaimed, the following reclamation measures were used (check only measures that were used). **You must include photographs or videotapes of the completed reclamation work:**

Spread and contoured ~~tailings~~ disturbed mineral soil

Spread topsoil, vegetation, overburden muck or fines on the surface of contoured ~~tailings~~ disturbed mineral soil

Reestablished flood plain with stream channel in stable position

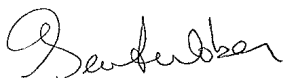
Backfilled and reclaimed temporary stream diversions

Camp removed, cleaned up and left free of debris

Other reclamation measures taken: **Note: Tailings** typically imply materials left over after the process of separating the valuable fraction from the worthless fraction of an ore while mining. Given that the Pebble Project is currently in the exploration phase there are no tailings generated; therefore, in two instances above the word "tailings" has been replaced with the words "disturbed mineral soil."

* values take into account crushed vegetation as well as mineral soil disturbance (see 2009 Annual Reclamation Report for the Pebble Project for additional details).

I did not operate in 2009 and therefore did not conduct reclamation.



8 March 2010

Signed

Date



Appendix E

Certificate of Author

CERTIFICATE OF AUTHOR

Jeffrey B. Norberg, B.Sc., Geo.
JBN Consultants, Inc.
PO Box 772422
Eagle River, Alaska 99577
Phone 907-240-2040, jbn.consultants.inc@gmail.com

I, Jeff Norberg B.Sc., of the city of Eagle River, Alaska hereby certify that:

1. I am President/Owner of JBN Consultants Inc, with a business office in Eagle River, Alaska. I was contracted by Pebble Limited Partnership to carry out site reclamation on the Pebble property, Alaska, USA in 2009.
2. I am a graduate of University of Arizona (B.Sc. Geology, 1993).
3. I have practiced my profession, as a Geologist, continuously since graduation. I have been involved at a senior level in environmental projects managing and implementing: on-site geological/ hydrogeological field investigations; construction/ remediation projects; and site audits for federal, state, municipal, and private sector clients throughout Alaska and the conterminous United States.
4. I am an Instructor for the Mining and Petroleum Training Service (MAPTS) program with the University of Alaska teaching Hazardous Waste Operations and Emergency Response (HAZWOPER) courses throughout the state.
5. I was a Regulatory Project Manger for Alaska Department of Environmental Conservation (Anchorage) between 2004 and 2007. My responsibilities included technical review and provided State approval for environmental projects; negotiations; community relations; and site inspections to ensure that site work was completed in accordance with Alaska State and Federal laws, regulations, and guidance to mitigate risk to human and ecological receptors.
5. I am author of this report entitled “2009 Annual Reclamation Report – The Pebble Project Iliamna, Alaska.”
6. I have worked as a contractor on the Pebble property since September 2007 and have been actively involved in the drilling programs since that time.
7. I am not aware of any material fact or change with respect to the subject matter of this Report, which is not reflected in the Report, and the omission of which would make the Report misleading.
8. I consent to the use of this report as the Annual Reclamation Report for the year-end filing of Pebble Limited Partnership.

Signed in Eagle River, Alaska on the 8th day of March, 2010

/s/ Jeffrey B. Norberg, President JBN Consultants, Inc.

Jeffrey B. Norberg, B.Sc. Geo.