

MINERAL EXPLORATION TANGLE LAKES and southeastern ALASKA RANGE

Name and Ownership

Nevada Star Resources, a junior mineral exploration company based in Vancouver, B.C., controls over 269 square miles of mining claims in the southern foothills of the Alaska Range. The company calls these claims the MAN Project. In March, 2004, Anglo American Exploration, Canada, entered into an agreement with Nevada Star to option the Fish Lake and Dunite Hill claims within the MAN Project. The latter claims are located near and around Tangle Lakes, Landmark Gap and 14-Mile Lake. Anglo American can earn a 51 percent interest in the MAN property by spending a total of \$12 million over a five-year period.

Location

Located on state land, the MAN Project claims are grouped in a patchwork fashion throughout the mountains and creeks north of the Denali Highway. Those located near the Denali Highway extend from approximately MP 12 to MP 27. They surround the Tangle Lakes which are in the federal Wild and Scenic River corridor, and include Landmark Gap, the Amphitheatre Mountains, and 14-Mile Lake. There is also a large block of claims just south of the Eureka Glacier, extending to the east to the ridges and creeks around Broxson Gulch, including Rainy and Ann Creeks. They also control a block of claims on the northeastern side of Rainbow Mountain, above the Canwell Glacier, and another block of claims adjacent to the Richardson Highway near Fielding Lake. Generally, the MAN Project focuses on a suspected east-west trend of nickel, platinum and copper mineralization.

Type of Exploration and Targeted Minerals

Based on surface sampling and geophysical data, Nevada Star believes there is potential for significant deposits of platinum, palladium and other related platinum group elements, as well as nickel and copper. Anglo's Tangle Lakes claims are thought to contain the greatest potential for a nickel-copper-platinum massive sulfide deposit. Nevada Star is conducting conventional hardrock mineral exploration on its claims in the Rainbow Mountain and Broxson Gulch areas. This consists of drilling and trenching. In road-accessible areas, such as Rainbow Mountain, access roads have been constructed. In other places, Nevada Star uses helicopters to sling in drilling equipment and transport personnel.

Issues of Concern

The Tangle Lakes country contains some of the most accessible wild lands in Alaska. Its wide, open tundra meadows, glacial lakes and ridges are favorite destinations for Alaskans and visitors. Snow machining, berry picking, birding, hunting, fishing, hiking, climbing, and paddling are just some of the ways people enjoy and benefit from the land and its biological resources. Some of the many sources of the Gulkana River – a major salmon-bearing river in south central Alaska – originate in the high mountains of this country, and it contains an important migration corridor for the Nelchina Caribou Herd.

Nevada Star's MAN project also encompasses the northern third of the Tangle Lakes Archeological District – which contains one of the densest collections of prehistoric and historic sub-arctic artifacts in North America.

This archeological heritage emphasizes the fact that people have used Tangle Lakes country for over 10,000 years – usage which in the past 100 years included placer mining for gold on its many creeks. But placer mining is of a much smaller scale and extent than the type of hardrock (or lode) mining Nevada Star or Anglo would do.

Today's hardrock mines, especially strip mines, cover thousands of acres, have large ancillary processing facilities, and require an extensive network of roads and power lines. Modern mines pump and use vast quantities of water which can result in aquifer depletion and contamination, and typically use as much power to process ore as a city of about 25,000 residents.

These mines also “privatize” public lands, such as those near Tangle Lakes and at Rainbow Mountain, by denying public access during the life of the mine. And while the law requires a mining company reclaim a mine site after closure, this doesn't mean the landscape isn't permanently altered. Strip mining results in large open pits (some of the largest can be over a mile wide), waste rock dumps covering hundreds of acres and sacrificed stream drainages used as permanent storage for contaminated tailings and mine waste.

The issue of hardrock mining in the Tangle Lakes country is not one of whether such a mine could be done in an environmentally protective way by using cutting edge technology. The primary issue is that this type of large-scale industrial activity cannot occur in this open, sweeping landscape without destroying existing values. Current recreational and subsistence activities in the area, as well as the quality of life presently enjoyed by locals, and the economic benefits, both local and statewide, from tourism, depend on the land remaining much like it is today. These values exceed the hypothetical mineral value that might be found in the MAN Project.

Not every place that can be mined should be mined. Other cultural, social, biological and economic factors must be considered when an area is opened to mineral entry. In the case of the Tangle Lakes country, one type of mining – small scale placer mining – has integrated with other current uses without significant adverse impacts. Modern strip mining cannot.