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FEATURED

## Canadian company applies for lease of land north of Chena Hot Springs Road

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A small Canadian company is exploring for gold north of Chena Hot Springs Road between Esro Road at 4 mile and Amanita Road at 5.8 Mile, but residents say they haven't been adequately notified about the potential development.

Toronto-based Avidian Gold Alaska has applied for a lease on 680 acres of land owned by the Alaska Mental Health Trust Authority and the Fairbanks North Star Borough and which is adjacent to Kinross' Fort Knox gold mine.

However, residents of both Esro and Amanita roads say they were never informed about the project. Martie Lamont, who has lived on Amanita since the early 1980s, says her property abuts the southern edge of the exploration site. She learned about the lease proposal from a post on the Nextdoor app.

"There are people here, the mining would go right up to their back door," Lamont said. "Nobody asked. It would be a disaster. The (mine) workers would have to wear earmuffs. Am I going to have to wear earmuffs? Am I going to have to breathe the dust for excavating an open pit mine?"

Am I going to have to deal with the runoff? The mine would be on a hill overlooking Esro Road and the Steele Creek basin. The noise is just going to echo through that area.”

She noted that the area is also adjacent to the Audubon Riedel Nature Reserve.

The Alaska Mental Health Trust Land Office in Anchorage issued a notice of the proposed lease on Dec. 18, with public comment open until 4:30 p.m. Jan. 25. Comments should be submitted to the TLO at 2600 Cordova St., Suite 201, Anchorage, AK 99503, or by fax to 907-269-8905 or email [mhtlo@alaska.gov](mailto:mhtlo@alaska.gov).

However, as Fairbanks writer Dermot Cole first reported in his blog on Tuesday, the lease proposal doesn't mention the parcel's proximity to homes on Esro and Amanita. In a section titled "Adjacent Land Use Trends," it states: "Adjacent land use trends are almost exclusively mineral exploration and development and public recreation."

Some residents are concerned about long-term effects if a mine is developed.

Others are taking a wait-and-see approach.

John Hewitt, who has lived on Amanita Road for decades, said Tuesday that he had just learned about the proposal a couple of days before. He said he's "interested to see how it's going to play out" and doesn't have a defined opinion on the proposal just yet.

Avidian President Steve Roebuck said he has talked to several residents about their concerns.

"We're aware of people's concerns and what we're doing is following the process laid out to us by the application through the Mental Health Trust," he said Tuesday. "It's an opportunity for us to take into account the local people's concerns in that area about the potential impact."

However, Roebuck notes that Avidian is an exploration company, not a mining company, and the exploration is still in the very early stages. "People ask us whether it's going to be an open pit or underground, but we haven't done the work yet, we don't know. It's too early yet.

"We're a mom and pop shop, basically," Roebuck said. "Just a few guys. We're not a mining company. There's a process to follow and we're following the process. I get it that people were caught off-guard, but you know, get all the facts first."

Ideally, he said, his company finds the gold and then turns it over to a mining company, such as Kinross, which would develop it. "People here all respect Kinross and they provide a lot of jobs," he said.

Avidian has been looking at the site for a couple of years, conducting LIDAR and drone magnetic surveys. It dug two trenches that follow a mineralized belt that trends to the northeast, toward the pit at Fort Knox.

In 2020, Avidian Gold drilled nine test holes, finding gold in at least two of them: 3.11 grams per tonne in one and 4.22 g/t in the second. The other seven assay results are still pending due to "unprecedented delays at the assay office," Roebuck said. "Hole number 2 was dynamite," he said. "We've got more to come; we just have to be patient."

Roebuck said the results are strong enough for Avidian to start planning follow-up drilling for 2021. It is also exploring another parcel it calls Amanita NE, which is adjacent to the Gil deposit. Formerly called the Fish Creek project, Avidian optioned it "100 percent lock, stock and barrel."

It also has interests in Golden Zone, a much larger project off the Denali Highway near Cantwell.

Alaska's Mental Health Trust is tasked with managing land for long-term revenue potential. The record of decision for the Amanita Project notes that gold prices are currently high and development of a mine would bring in increased revenue for the future.

However, residents say the trust did not do its due diligence about the effects of a mine on nearby residents. The record of decision also notes that "site inspection has not been conducted

due to anticipated snow cover and COVID-19 travel advisories.”

Gary Newman has lived on Esro Road since 1974 and is a member of the Esro Road Association. He said the proposed development plan lists Esro Road as a possible access.

“Esro Road is private,” he said. “They certainly didn’t contact us.”

Additional traffic, much less big mining trucks, would create problems along the road.

“We have a terrible problem out here with aufeis,” he said. “We’ve spent thousands of dollars dealing with both settling ground as well as glaciation from two of the drainages that would be explored under this proposal.”

Newman said that although the record of decision only mentions exploration, he said he presumes the next step would be development if sufficient gold is found.

“To say it’s only exploration if you’re going to invest millions, there’s the promise of going further,” he said. “It’s a known area with gold. The Tungsten Subdivision wasn’t called Tungsten for no reason.”

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