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Press Release

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Alaska's Mineral Industry Grows in Strength and Value

(Fairbanks, AK) — The state today released *Alaska's Mineral Industry 2010*, an annual report published by the Alaska Division of Geological & Geophysical Surveys (DGGGS) and the Department of Commerce, Community & Economic Development's Division of Economic Development (DED). This is the divisions' 30th consecutive annual report on the state's mineral industry.

The 96-page report shows that Alaska's mineral industry grew significantly in 2010 in terms of exploration spending, production value, and jobs.

Exploration and Development

Spending on exploration increased 47 percent in 2010, rising from \$180 million in 2009 to \$264.4 million. This growth helped make 2010 the sixth consecutive year with exploration spending that exceeded \$100 million. Exploration occurred across Alaska, but more than 48 percent of the spending (\$127 million) was in southwestern Alaska alone, and 21 percent (\$55 million) was in the Eastern Interior region. Thirty-four projects reported exploration expenditures of \$1 million or more, and 47 additional projects reported spending at least \$100,000. Two advanced exploration projects, Pebble and Donlin Creek, accounted for more than 43 percent of the exploration spending in 2010. Spending on development remained at high levels but was down nearly 11 percent in 2010, declining from \$330.8 million in 2009 to approximately \$293.3 million. This was the seventh consecutive year in which development spending exceeded \$200 million.

Value of Mineral Production and Employment

The value of produced minerals grew substantially in 2010. The estimated gross wholesale (first market) value of mineral production increased more than 27 percent in 2010, rising from nearly \$2.5 billion in 2009 to \$3.1 billion. Zinc topped all mineral product values, with 42 percent of the total, and the Red Dog Mine near Kotzebue was the largest contributor to total zinc production. Gold remained a strong second, carrying 35.8 percent of the total production value. In descending order, the values of remaining production were lead, 9.1 percent; silver, 9 percent; coal and peat, 2.4 percent; and industrial minerals (rock, sand, gravel, and gemstones), 1.7 percent.

Mineral industry employment rose 18 percent in 2010 to 3,872 full-time-equivalent jobs, an increase of 592 jobs from the 2009 total of 3,280. These jobs were distributed across Alaska.

Mineral Production

Mineral production continued strong at Alaska's six large lode mines and more than 225 placer gold operations. Teck Resources Ltd.-NANA's Red Dog Mine, one of the world's largest zinc producers, began mining the Aqqaluk deposit adjacent to the main Red Dog deposit, extending the mine's life to 2031. Red Dog produced 593,043 tons of zinc, 121,144 tons of lead, and more than 6.7 million ounces of silver. Coeur Alaska began mining at the Kensington gold mine near Juneau, producing 43,143 ounces of gold by year's end. Hecla Mining Co.'s Greens Creek Mine near Juneau produced more than 7.2 million ounces of silver in 2010, along with 68,838 ounces of gold, 74,496 tons of zinc, and 25,336 tons of lead. Kinross Gold's Fort Knox Mine near Fairbanks produced 349,729 ounces of gold, and Sumitomo's Pogo Mine near Delta Junction produced 383,434 ounces of gold. Usibelli Coal Mine near Healy produced 2.06 million tons of coal. Total placer gold production, from more than 225 operators, was 69,318 ounces.

Printed copies of this report are available at no charge. The booklets will be distributed at the Alaska Miners Association conference in Anchorage (November 9-11) and will be available starting November 9, at the DGGs office at 3354 College Road, Fairbanks, Alaska 99709-3707. Call 907-451-5020 to place phone orders. Non-phone orders should be sent via mail to the DGGs office at the above address or via e-mail (dggspubs@alaska.gov) or fax (907-451-5050). An electronic version of the report, along with all of DGGs's publications and maps, is available for free download from the division's website, www.dggs.alaska.gov. The booklets will also be distributed beginning November 14 at the Department of Natural Resources Public Information Centers (PIC) in Anchorage, Fairbanks, and Juneau.

The booklets also will be available for viewing, beginning November 28, 2011, at the Alaska Resources Library and Information Services (ARLIS) at 3211 Providence Drive, Anchorage, AK 99508 (907-272-7547), and at the Historical Collection of the Alaska

State Library in the State Office Building in Juneau (open 1–5 p.m. Monday through Friday; 907-465-2927).

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