THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

SEP 30 2013

Mr. John Shively
Chief Executive Officer
Pebble Limited Partnership
3201 C Street, Suite 604
Anchorage, Alaska 99503

Dear Mr. Shively:

Thank you for meeting with me on August 27, 2013, and for providing the tour of the prospective Pebble Mine site. It was a pleasure meeting you and hearing directly from you about the Pebble Limited Partnership's thoughts and plans for the mine development and to observe the area's landscape and water resources.

As you proceed with planning activities, I wish to offer some food for thought. If indeed PLP moves ahead with an end-of-year public release of a mine plan and its associated footprint, I would not want to miss this opportunity to share some preliminary information that might be useful as you finalize your permit filing.

First, I would hope that the permit application could help us and others understand the development horizon for the mine. My sense from our conversations is that the company might be considering a much shorter development horizon of perhaps 18 to 20 years. The U.S. Environmental Protection Agency has reviewed Northern Dynasty's robust February 2011 Securities and Exchange Commission filings, which suggest that a mine plan with such a short time horizon might not be economically viable and that a 45-year to 78-year time horizon is the most likely development scenario. Given the EPA's obligation to consider impact analyses that include reasonably foreseeable future projects, it will be important to explain how any time horizon you propose and analyze reflects the most economically viable and most likely mining scenarios for the Pebble prospect. Providing data and analysis on this issue would help avoid misunderstandings and allow for a more thorough review.

Second, the EPA's draft watershed assessment raises two issues that have become key concerns, and I would like to call to your attention to them. The first issue is how best to ensure that the plan appropriately addresses the challenge of possible acid drainage from the large amounts of waste rock and tailings associated with an open-pit porphyry copper mine in terms of the volume, composition and the duration of placement of such waste. The second issue is how the plan can appropriately estimate and mitigate any probable direct and indirect impacts from waste rock and tailings on what we both know to be one of the world's greatest salmon fisheries. Your willingness to provide information and analysis that directly and thoroughly addresses these issues will go a long way toward enhancing any review process.

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Should you have any technical follow-up questions, please feel free to contact EPA Region 10 Administrator Dennis McLerran at (206) 553-1234. You also might want to consult the draft Bristol Bay watershed assessment, which the EPA anticipates completing before the end of this year.

I look forward to a productive, continuing dialogue as you and the Pebble Limited Partnership proceed with your work and the EPA finalizes its watershed assessment in the coming months. In the meantime, I thank you again for the knowledge you shared and the courtesy you extended during my recent visit.

Sincerely,

Gina McCarthy