

Rock Creek Gold Mine

by Bretwood Higman, Valisa Higman, David Coil, Elizabeth Lester

LAST MODIFIED: 12TH AUGUST 2019
CREATED: JAN. 19, 2018

Ground Truth Trekking

Copyright: Creative Commons Attribution

Table of Contents

1. Summary
2. Mine Information
3. Environmental Concerns
4. Mine Suspension
5. Current Status

Summary

The Rock Creek Gold mine operated near Nome in Western Alaska for only two months in 2008 before shutting down due to a combination of mechanical, environmental, and financing issues. The mine is currently owned by the Bering Straits Native Corporation (BSNC).

Mine Information

The Rock Creek Mine is an open-pit mine and was expected to produce 100,000 ounces of gold per year, through the processing of 7,000 tons of ore a day for a mine life of around four years. NovaGold Resources Inc. (http://www.novagold.com/) wholly owned and operated the mine through a subsidiary called the Alaska Gold Company Inc. This company, which includes the nearby prospects Big Hurrah and Nome Gold as well as some sand/gravel mining operations, was purchased by the BSNC in 2012.

Copyright: Creative Commons Attribution



ROCK CREEK CONSTRUCTION — Construction at the Rock Creek Mine in 2006 — Get Photo (/photos/rock-creek-construction/)

Environmental Concerns

During the permitting and construction phases, a large number of environmental and public concerns (http://dnr.alaska.gov/mlw/mining/largemine/rockcreek/pdf/concern.pdf) (2 MB) were raised, including the risk of acid mine drainage (/Issues/MetalsMining/AcidMineDrainage.html), the use of cyanide (/Issues/MetalsMining/GoldCyanidation.html) at the mine, concerns about high levels of arsenic in the water, increased truck traffic, dust production, and effects on bird and fish

Copyright: Creative Commons Attribution

populations in the area. These problems and concerns were exacerbated by the fact that the mine went through an "expedited" review process (/Documents/Rock%20Creek%20Mine%20Problems%20-%20Apr12.pdf) which did not include an environmental impact statement (EIS). During construction, multiple failures of the water management system resulted in over $800,000 in fines (http://latimesblogs.latimes.com/greenspace/2009/05/mine-pollution-alaska-fine-epa-nome.html) to NovaGold for violations of the Clean Water Act.

In 2007 the mine posted a $6.8 million reclamation bond, which would be used to finance closure costs at the Rock Creek site if operations do not restart.

Mine Suspension

During 2008 the mine suffered from mechanical/electrical problems with the mill, concerns about efficiency of the mine design, and difficulties with debt financing for the project, including running $20 million over budget for the year. When operations commenced, state and federal regulatory agencies informed NovaGold that the mine didn't meet a number of conditions for the previously granted operating permits. After the second shutdown in two months, NovaGold decided to close down the project (http://www.adn.com/2008/11/24/600762/novagold-forced-to-suspend-operation.html) for an indefinite period of time.

Copyright: Creative Commons Attribution

Current Status

In late 2011 the company decided (http://www.marketwire.com/press-release/novagold-third-quarter-financial-results-and-projects-update-tsx-ng-1572735.htm) to end operations at the mine and reclaim the site. The total cost to close down and reclaim the site is expected to be just under $30 million. The mine currently operates under a "Temporary Closure/Care and Maintenance Plan (http://dnr.alaska.gov/mlw/mining/largemine/rockcreek/pdf/closureplan2.pdf)" (4.1 MB), and is required to continue to meet environmental permit conditions during closure. Final permitting for the reclamation plan is underway, but some parties have expressed interest (http://www.nomenugget.net/story3.html) in re-opening the mine. In 2012, the entire operation was sold (http://www.marketwire.com/press-release/novagold-completes-divestiture-of-rock-creek-project-in-alaska-tsx-ng-1720806.htm) to the Bering Straights Native Corporation.

Further Reading

> DNR page on Rock Creek Mine containing all project documents and permits (http://dnr.alaska.gov/mlw/mining/largemine/rockcreek/index.htm)

> Northern Alaska Environmental Center page on Rock Creek Mine (http://northern.org/programs/clean-water-mines/hardrock-mines-in-interior-and-arctic-alaska/rock-creek-mine-1)

Copyright: Creative Commons Attribution

> NovaGold page for "Nome Operations" (http://www.novagold.com/section.asp?pageid=3357)

> Technical Report: Rock Creek and Big Hurrah Project (2008), SEDAR website. (http://www.sedar.com/GetFile.do?lang=EN&docClass=24&issuerNo=00000880&fileName=/csfsprod/data86/filings/01221226/00000001/y%3A\NOVAGOLD\SEDAR\filed145-rock\techrockcreek.pdf)

> "Rock Creek Mine Problems" (2012) Memo by Dave Chambers, Center for Science and Public Participation (CSP2) (http://www.groundtruthtrekking.org/Documents/Rock Creek Mine Problems - Apr12.pdf)

Copyright: Creative Commons Attribution