



A New Gold Standard

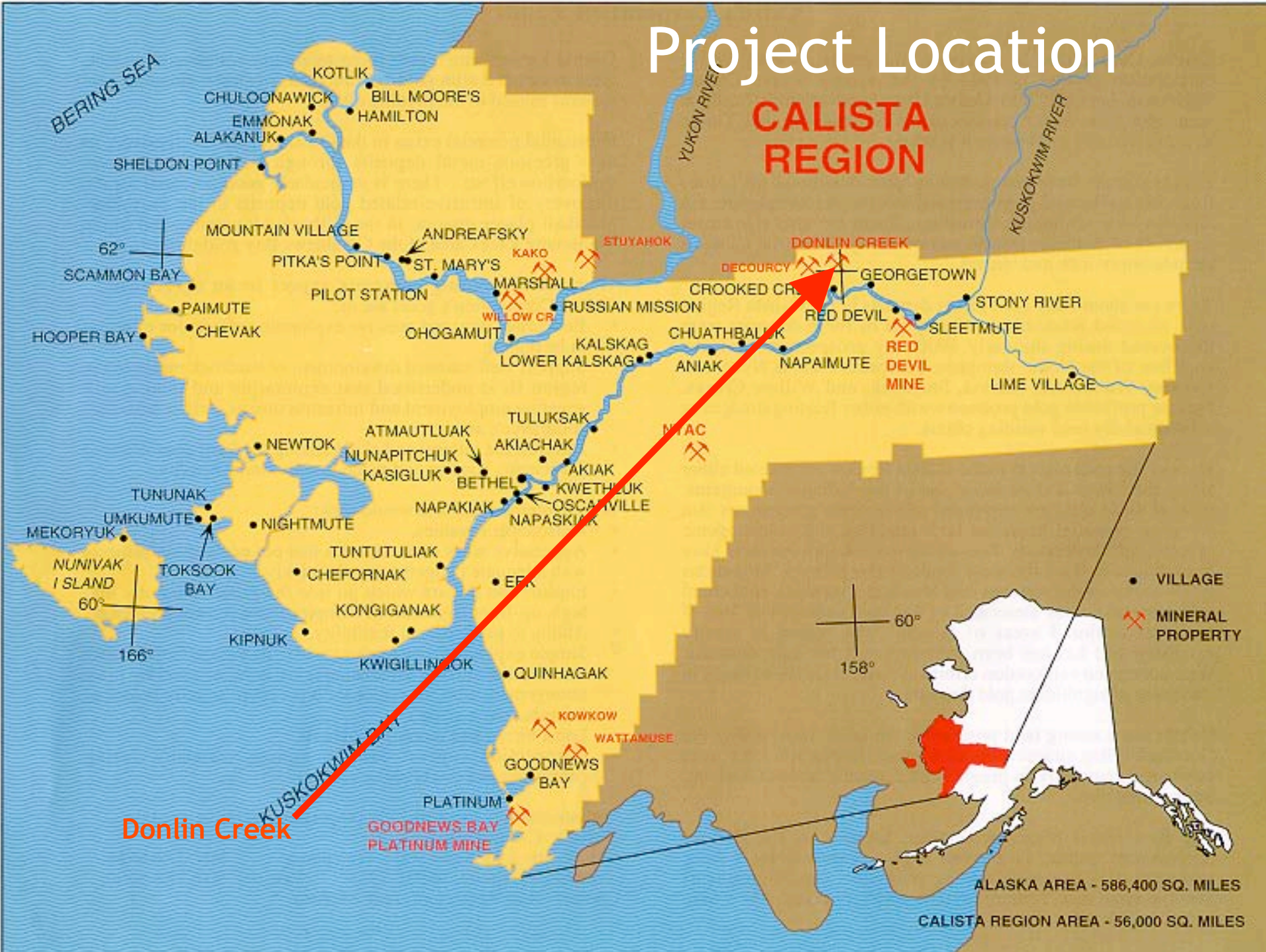
Donlin Creek Project

*Gregg Bush
General Manager
Donlin Creek Joint Venture
November 20, 2003*



Project Location

CALISTA REGION



Ownership and Participation

- Calista Regional Corporation Sub-surface Owner and Participant
- TKC Surface Owner
- Placer Dome Managing JV Partner
- NovaGold JV Partner



What is Donlin Creek

Resource

DONLIN CREEK RESOURCE ESTIMATE APRIL 2003

NOVAGOLD/PLACER DOME/MRDI

1.5 g/t Cutoff

	Tonnes (M)	Gold g/t	Contained Ounces
Measured	7.9	3.1	799,000
Indicated	109.5	2.9	10,343,000
Total M&I	117.5	3.0	11,142,000
Inferred	142.2	3.1	14,308,000

History of Expenditures

At Year-End 2002:

Calista	\$0.4M
WestGold	\$2.7M
Teck	\$0.3M
PDUS	\$31.7M
<u>NovaGold</u>	<u>>\$10.0M</u>
Total	>\$45.1M



Preliminary Plan Outline

- Conventional open pit
- Truck and shovel
- 30,000-tonnes per day ore
- 180,000-tonnes per day development rock
- Flotation/Pressure oxidation mill
- Schedule seven days per week, 24-hr/day
- Two 12-hour shifts

Key Project Impacts to the Local Economy

Local Economy

Table 9: Demographic Characteristics of Communities in the Calista Region along or near the Kuskokwim River

Community	Population in 2000	Average Annual Growth from 1990 to 2000	Average Annual Growth from 1980 to 1990	Percent Native	Median Age
Villages in the Upper Kuskokwim Census Sub area and The Kuskokwim Corporation					
Aniak	572	1%	5%	73%	28.3
Chuathbaluk	119	2%	-1%	94%	22.9
Crooked Creek	137	3%	0%	93%	24.8
Georgetown	3	NA	NA	100%	NA
Lower Kalskag	267	-1%	2%	96%	20.9
Napaimute	0	-100%	-3%	NA	NA
Red Devil	48	-1%	3%	52%	38
Sleetmute	100	-1%	0%	89%	37
Stony River	61	2%	-2%	85%	24.3
Upper Kalskag	230	3%	3%	90%	21.7
Other Upper Kuskokwim Villages not in The Kuskokwim Corporation					
Kwethluk	713	2%	2%	95%	19.6
Lime Village	46	1%	-1%	NA	NA
Flat	4	NA	NA	0%	NA
Villages along the Lower Kuskokwim River					
Akiachak	585	2%	1%	96%	22.2
Akiak	309	1%	4%	95%	21.3
Bethel	547	2%	3%	68%	25.3
Nunapitchuk	466	2%	2%	96%	22.8
Tuluksak	428	2%	4%	94%	23.7

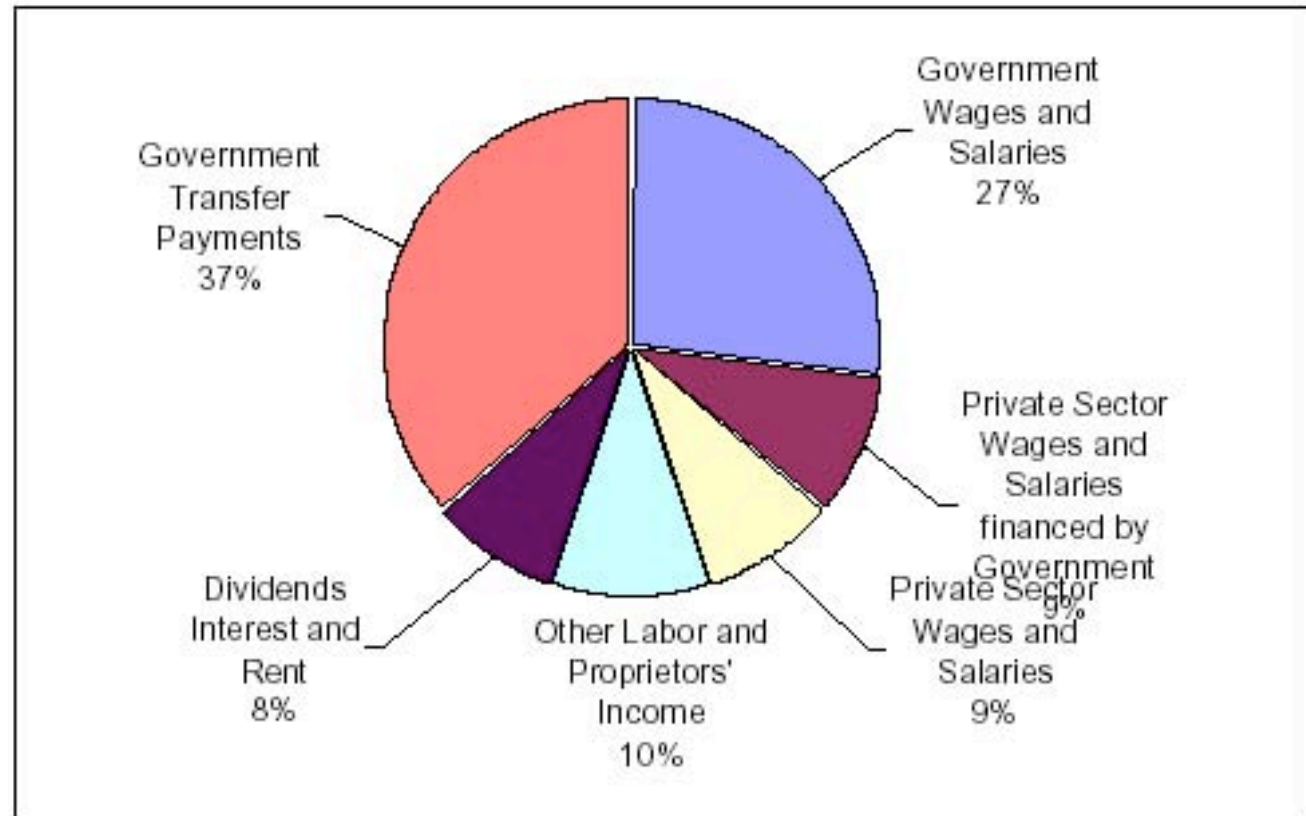
Source: Department of Community and Economic Development, Alaska Community Database

Local Economy

- 75% of the Region's cash income comes from government sources.
- Per capita income in 2000 was \$18K compared to state average of \$29.6K
- This does not reflect the additional burden of the region's high cost of living.
- 16% unemployment (does not reflect level due to percentage withdrawn from the market.)

Local Economy

Figure 9: Composition of Personal Income in the Calista Region in 2000



Source: US Bureau of Economic Research, Local Area Personal Income ISER Worksheet: Calista Income, Regional Characteristics.XLS

Potential Regional Economic Benefits

- Employment during construction 500 - 600 people
- Employment during mining 400 - 500 people
- Capital Costs \$700M to \$800M*
- Job training opportunities for local communities.
- Lower regional shipping, fuel & energy costs.
- Regional business opportunities.

* Scaled from Previously Published Estimates for 20,000 t/d Plant



Shareholder Hiring Program

- Shareholder hire program in place managed by Chiulista Camp Services Inc.
- Highly productive workforce.
- High percentage of Shareholders in supervisory capacity.
- Low turnover and low pre-hire drug screen failure rates.
- During 2002 drilling campaign 65% of all employees were Shareholders.





Local Business Opportunities

The Musselwhite Experience

- Commisary
- Construction Company
- Housekeeping Services
- Catering Services
- Fish Habitat Contract
- Drilling Contracts (JV)
- Line Cutting
- Airline Service
- Laundry Service Company
- Environmental Monitoring Firm (JV)

Electricity Supply

- 80 MW Installed, 61 MW Draft
- Electricity Supply Options
 - Bethel Coal Fired Power Plant
 - On-site or Crooked Creek Generation with Diesel
 - Holitna Basin CBM or Shallow Gas
 - Alternative Fuels on Yukon River Port
 - Railbelt Inter-tie
 - Cook Inlet Routes
 - Flowsheet Improvements (reduce consumption with innovative technologies)
- Power Supply Evaluation by Placer Dome

Electricity Supply

- Options generate differing benefits to sectors within the region.
- Bethel currently pays \$0.19/kW-h while Crooked Creek pays \$0.53/kW-h.
- Any of the options create significant benefits in the region through lowered electricity and/or fuel costs.

Infrastructure & Logistics

- The region will benefit from the increased volume and diversity of materials moved through lower priced goods and spin-off business activities.

Construction Materials 1

- Mining equipment 5,879 tons
- Process equipment 18,369 tons
- Piping 10,912 tons
- Structural steel 5,879 tons
- Pre-Engineered buildings 6,061 tons

Construction Materials 2

- Aggregate 220,412 tons
- Cement 18,369 tons
- Reinforcement bars 7,345 tons
- Formwork 1,466 tons
- Electrical equipment 1,455 tons
- Platework 1,026 tons

Construction Materials 3

- Fuel – generation/prestripping 55,000 tons
- Non perishable food (1/2 qty) 1,095 tons
- Furniture & Miscellaneous 1,466 tons
- Temporary construction offices 4,412 tons

- Total 360,676 tons
(140,000 tons)

Yearly Consumables 1

- Lime: up to 100,000 tons
- Fuel 10,000,000 US gallons 36,700 tons
- Lubricants 260,000 US gallons 890 tons
- Mine Consumables (tires etc) 50,000 tons
- Mill Consumables (liners etc) 20,000 tons
- Explosives 21,300 tons

Yearly Consumables 2

- Cyanide 6,320 tons
- Non-perishable foods 250 tons
- Blasting caps primers & fuses 624 tons
- Miscellaneous 1000 tons

- Total 237,084 tons

Logistics

- No roads currently exist.
- Nearest large town Bethel 193 miles by river.
- Main access to the area is by water up Kuskokwim or Yukon rivers.
- An access road would be constructed to the mine site from a river port.