

# Road to Ambler: True Costs?

The total costs of the Road to Ambler are hotly contested, in part because AIDEA has yet to release any official reports since taking over the project in 2013. However, enough figures have surfaced to give cause for concern.

First, public funding by the State of Alaska has been used since 2011 and will be sought through at least 2017. The amount of public funding appropriated to date is \$26.25 million, and current estimates put the future total amount of public appropriations at \$41.25 million by FY2017.

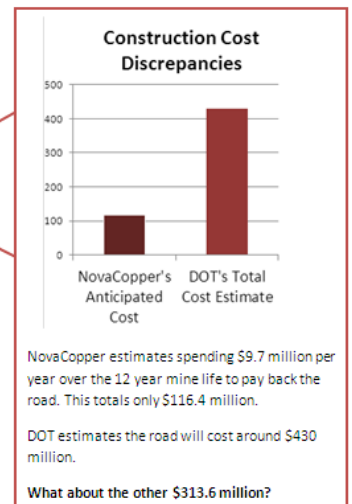
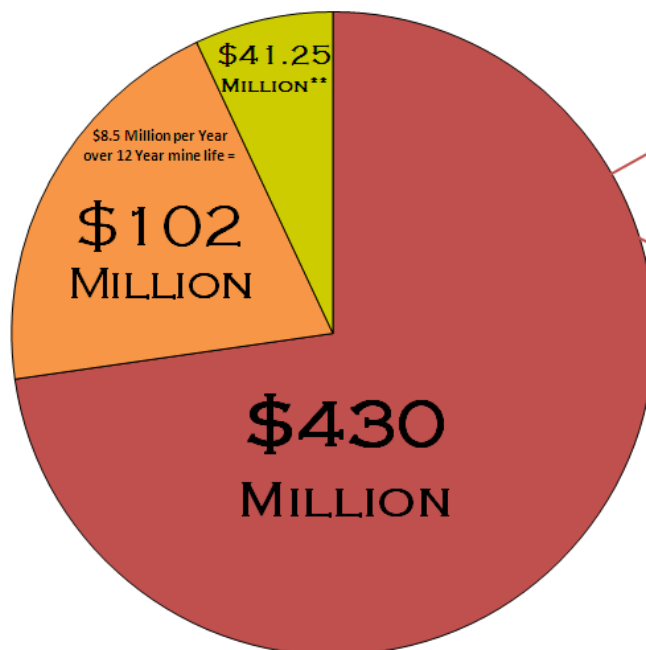
Construction costs of the road will of course depend on which route is chosen, how long the route is, how many river crossings are needed, and whether the final road will be single or double-lane. The route currently preferred by AIDEA is the Brooks East Corridor, which ADOT had performed a comprehensive cost analysis for. AIDEA insists the road would cost no more than \$190-\$300 million; however ADOT estimated the project would cost no less than \$430 million. This cost will be paid by AIDEA, theoretically to be repaid by mining companies through tolls over the course of the mine-life. NovaCopper is the only company with active mining prospects and their recent Preliminary Economic Assessment shows that they only expect to have to pay a total of \$116.4 million. Where will the other \$313+ million come from?

Finally, the road will need continual maintenance and repair during the life of the mine, as well as security. ADOT estimated these costs at about \$8.5 million per year, totaling \$102 million over the 12 year life of NovaCopper's proposed Arctic Mine.

## Concerns

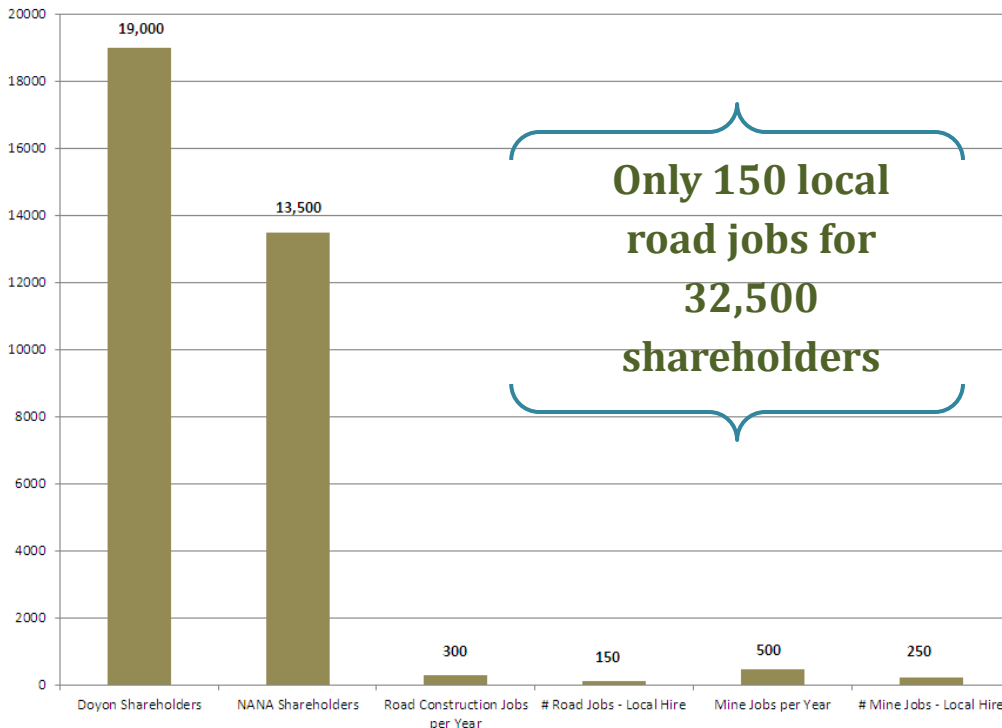
- If the mine fails, who will pay for the road?
- Why is the public contributing millions to a private road?
- Where are estimates for reclamation?
- Will NovaCopper be able to pay the difference between their original estimates and the more realistic cost of the road?

## Costs of Road to Ambler



- Construction Capital Costs
  - Road Maintenance and Security
  - State of Alaska - for studies and other
- \*\* \$26.25 million already allocated

# Not Enough Jobs in Ambler Road



The Ambler Road would create only 400 combined road- and mine-based local jobs for 32,500 shareholders. One of AIDEA's most vocal selling points is that the road project will provide jobs, at least half of which will go to local hire. "Local Hire" in this case refers to the NANA shareholders on the west side, and Doyon shareholders on the east. AIDEA's estimates of jobs created by this road is only about 300 total jobs. If half of these will be local, that only provides 150 road jobs for the thousands of eligible workers.

These construction jobs would only last 2-3 summers. The jobs that are created would only last for a single generation at best. There simply aren't enough jobs created to overshadow the negative impacts on the landscape that will be permanent.

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