

Northern Dynasty Minerals Ltd.
Teleconference: Friday May 12, 2017
Transcript

Check against delivery

Cautionary & Forward Looking Information

This presentation includes certain statements that may be deemed "forward-looking statements". All statements in this presentation, other than statements of historical facts, that address exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in its forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of the ultimate size, quality or commercial feasibility of the Pebble Project or of the Company's future performance or the outcome of litigation. Assumptions used by the Company to develop forward-looking statements include the following: the Pebble Project will obtain all required environmental and other permits and all land use and other licenses, studies and development of the Pebble Project will continue to be positive, and no geological or technical problems will occur. The likelihood of future mining at the Pebble Project is subject to a large number of risks and will require achievement of a number of technical, economic and legal objectives, including obtaining necessary mining and construction permits, approvals, licenses and title on a timely basis, delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, the final outcome of any litigation, completion of pre-feasibility and final feasibility studies, preparation of all necessary engineering for surface or underground mining and processing facilities as well as receipt of significant additional financing to fund these objectives as well as funding mine construction. Such funding may not be available to the Company on acceptable terms or on any terms at all. There is no known ore at the Pebble Project and there is no assurance that the mineralization at the Pebble Project will ever be classified as ore. The need for compliance with extensive environmental and socio-economic rules and practices and the requirement for the Company to obtain government permitting can cause a delay or even abandonment of a mineral project. The Company is also subject to the specific risks inherent in the mining business as well as general economic and business conditions. For more information on the Company, Investors should review the Company's filings with the United States Securities and Exchange Commission and its home jurisdiction filings that are available at www.sedar.com.

This presentation also uses the terms "measured resources", "indicated resources" and "inferred resources". Although these terms are recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects), the U.S. Securities and Exchange Commission does not recognize them. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for a Preliminary Economic Assessment as defined under 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

During the period 2007 to 2013, a major part of the expenditures were on exploration programs, resource estimates, environmental data collection and technical studies, with a significant portion spent on engineering of various possible mine development models, as well as related infrastructure, power and transportation systems. The technical and engineering studies that were completed relating to mine-site and infrastructure development are not considered to be current or necessarily representative of management's current understanding of the most likely development scenario for the Project. Accordingly, the Company is uncertain whether it can realize significant value from this prior work. Environmental baseline studies and data, as well as geological information from exploration, remain important information available to the Company from this period in continuing its advancement of the Project.

GAGNIER COMMUNICATIONS

**Moderator: Doug Allen
May 12, 2017
11:00 a.m. ET**

Operator: This is conference # 22904301

Operator: Good morning and welcome to the Northern Dynasty Minerals update conference call.

After the speakers' opening remarks there will be a question and answer period. If you would like to ask a question during this time, simply press "star" then the number "one" on your telephone keypad. If you would like to withdraw your question, please press the "pound" key on your telephone keypad.

As a reminder, ladies and gentlemen, this conference call is being recorded and your participation implies consent to our recording of this call. If you do not agree with these terms, please disconnect at this time. Thank you. I would now like to turn the call over to Doug Allen, vice president corporate communication at Northern Dynasty.

Please go ahead.

Doug Allen: Thank you, (Paula). Good morning ladies and gentlemen and welcome to the Northern Dynasty Minerals update conference call. As indicated, my name is Doug Allen; I'm the Vice President, Corporate Communication for Northern Dynasty Minerals.

Earlier today we issued a news release discussing the agreement that we have reached with the United States Environmental Protection Agency and the United States Department of Justice. That news release is posted on our website at www.NorthernDynastyMinerals.com and on both SEDAR and EDGAR.

For those of you joining today's call by telephone, we've also posted a small number of presentation slides on our homepage and are also part of today's webcast.

Before we begin, I would like to introduce everyone on the call with me today. We have Ron Thiessen, President and CEO of Northern Dynasty; Tom Collier, CEO of Pebble Limited Partnership; and Marchand Snyman, Northern Dynasty's Chief Financial Officer. As Paula indicated, this call is being recorded and after opening remarks by management we will open the phone lines to analysts and investors for a question and answer session.

As noted, if you do wish to ask a question, you must be participating in today's call via the phone line, not webcast. I'd like to remind our listeners that our comments and answers to your questions may contain forward-looking information. This information by its nature is subject to risks and uncertainties that may cause the stated outcome to differ very materially from the actual outcome.

Please refer to our annual information filings and forward looking statements on the bottom of today's news release for more information. I will now turn the call over to Tom for his remarks on today's announcement and the permitting path going forward. And then Ron will say a few words about the project and the re-partnering process. Following Ron's comments we will open the call up to a Q&A period.

Tom?

Tom Collier: Thank you, Doug and I also want to thank everyone for joining us today. This is quite an exciting day for Northern Dynasty and for the Pebble Project. After years of unnecessary litigation, we are exceptionally pleased to have come to a settlement agreement with the EPA that reinstates due process and allows us to return to a normalized permitting process.

I would like to thank EPA administrator, Scott Pruitt, for his commitment to the rule of law and the fair and equal treatment of those who would invest in job creating industries in America. We would also like to recognize those in the United States Congress and the Alaskan state legislature who helped

uncover the facts about EPA's actions and argued for due process with respect to Pebble.

In particular, the members of the House Committee on Science, Space and Technology; the House Committee on Oversight and Government Reform; and the Senate Committee on the Environment and Public Works. It is important that the Pebble asset can be judged through a scientific rigor, a dedicated mine plan and assessed by objective expert regulations at the United States Army Corps of Engineers and a raft of other federal and state agencies, including EPA.

We have been waiting to move this process forward for the last four years and we'll move deliberately to get the process underway. Ron will take some time to walk through our current views on development. But before he does, a few important points on the settlement;

EPA has agreed the Pebble Project can proceed into normal course permitting under the Clean Water Act and NEPA.

We need to file permit applications within 30 months. The EPA cannot seek to utilize its authority under the Clean Water Act Section 404(c) until Pebble has completed an Environmental Impact Statement, unless the Environmental Impact Statement is not completed within 48 months from the date of this settlement or unless we do not file a permit application within 30 months.

More important and especially important to me, EPA has further agreed to initiate its process to consider withdrawing the proposed determination it issued under the Clean Water Act in July of 2014. In return, we've agreed to terminate each of the legal actions we've brought against EPA since that time. As such, in our view there are no longer any extraordinary development restrictions at the Pebble Project.

We are confident we can advance Pebble to demonstrably meet the rigorous environmental standards and robust permitting requirements enforced in Alaska and the federal government. We are committed to creating a development plan that incorporates enhanced environmental safeguards.

We will also undertake a number of initiatives to ensure the project is more responsive to stakeholder priorities and concerns. We all recognize Pebble has the potential to make a substantial economic contribution to a State, a region and an American economy that requires new investment and job creating industries. And we are – and we will be exact in how we move this process forward to accomplish those goals.

And of critical importance, the EIS [Environmental Impact Statement] should become the central administrative record upon which all permitting decisions will be made. That's all we've ever wanted, all we've ever asked for and now we have fully accomplished what we need. With that, I'm going to turn the call over to Ron Thiessen.

Ron Thiessen: Thank you, Tom, Doug and good morning, everyone. First off I'd like to echo Tom's comments and thank EPA Administrator Scott Pruitt, his staff, the Department of Justice and all others involved for the fair consideration we were given in the constructive engagement we were able to have in order to reach this settlement. Mine permitting is a complex process and involves a broad range of stakeholders and interests.

Without a legal and defensible process for permitting, no asset would ever be given fair consideration, which is what we experienced as a result of the actions by the Obama administration. We are very pleased to be able to move forward with an EIS process and believe that we can complete it within a three to four year timeframe. Before we get into some of our next steps, there may be a few new people on this call that aren't as familiar with the Pebble project so let me provide a brief overview of the project and its key characteristics.

It's located in Southwest Alaska. The Pebble project is a greenfield copper, gold, molybdenum, silver resource play. It has a current measured and indicated resource containing 57 billion pounds of copper, 70 million ounces of gold, 3.4 billion pounds of molybdenum and 3,344 million ounces of silver, plus a substantial inferred resource, the details of which are provided in today's presentation on our website.

Pebble ranks as the 9th largest copper resource and the second largest gold resource in the world. However, when it comes to undeveloped assets, Pebble is both the largest copper and largest gold resource in the world. Pebble is also in the top quartile of porphyry deposits when ranked based on copper equivalent grade. The measure and indicated copper equivalent grade at Pebble is 0.76 percent.

Pebble has a number of strategic advantages as it relates to the development of the project. Politically stable mining jurisdiction, Alaska, 1,000 feet above sea level, gentle rolling terrain and no permafrost. Development of Pebble will bring low-cost power for Alaska and in particular southwest Alaska. We are in close proximity to tidewater and Asian markets.

This is the kind of long life asset that most major mining companies covet. With today's announcement – announced settlement, we're pleased to reenter a normalized permitting process. Importantly, in anticipation of this settlement, we have been advancing planning for a smaller project design at Pebble than was previously considered and one that incorporates significant environmental safeguards.

We are also in active discussions with a number of potential partners which given this development can now really go into an accelerated effort. The interest level in Pebble has increased because of two factors; rising metal prices and a significant lack of exploration over the last decade and a mining industry whose participants have rotated back to the partnering model for mine development.

These are tremendous advantages to us and we are excited about the ability to push forward on gaining a new partner or partners for Pebble. Let me close by saying that Pebble will and should be held to a very high standard for environmental and social performance. We welcome the scientific rigor of the coming federal and state permitting process and are open to broad stakeholder engagement.

The Pebble project has benefited from more than \$750 million of investment to date. We have every expectation that we will meet the rigorous

environmental standards and robust permitting requirements enforced in Alaska and the United States and that the third party EIS prepared under the auspices of the United States Army Corps of Engineers will demonstrate that Pebble is a project of merit that can and will earn a positive record of decision.

Again, let me emphasize we are very pleased to have been returned to normal course permitting and look forward to advancing the Pebble project in the best interests of our shareholders and stakeholders in Alaska. Thank you.

Doug Allen: Thank you, Ron. Thank you, Tom. With that I'd like to turn the call back to Paula to queue questions from callers please.

Operator: The floor is now open for your questions. If you would like to ask a question during this time, simply press star then the number 1 on your telephone keypad. Again, that's star 1. If at any point your question has been answered, you may remove yourself from the queue by pressing the pound key. We'll pause for just a moment to compile a Q&A roster.

Your first question comes from Craig Hutchinson at TD Securities.

Craig Hutchinson: Good morning, guys.

Ron Thiessen: Good morning, Craig.

Craig Hutchinson: Great news, long time coming. I have a few questions here. Just on the statement that the EPA has agreed not to file recommended determination for a period up to four years, what's sort of the rationale for including that? Would it not just go through the normal process, you complete your EIS and then they make their determination after the fact?

Why sort of include that clause?

Ron Thiessen: Craig, from my perspective, it's just greater certainty that they would do that so I agree that normal course permitting, that's something that they wouldn't do until an EIS is fundamentally completed and this provides greater certainty of that. Tom, do you have anything else to add to that? Maybe we lost Tom.

Tom Collier: I'm sorry, you haven't lost me, my apologies, I had my phone on mute. There's something in the United States called the Meese Rule and the Meese Rule deals with the Department of Justice, it's named after an ex-attorney general.

And what it says is you can't have a settlement that constrains the discretionary authority of a cabinet officer and there was great concern in the Department of Justice that by not having a time limit on how long it might take us to get our EIS, they might be violating the Meese rule so they decided to give us a timeframe that they were confident and we agreed was long enough that we'd be able to get a final EIS within that period of time.

So from my perspective we don't see this four years as much of an impediment at all. We're pretty confident we'll get a final EIS within the four year period.

Craig Hutchinson: Have you had any consultation with the Army Corps of Engineers on the timeframe?

Tom Collier: We have had two meetings with the Army Corps of Engineers. We haven't agreed to any specific timeframes but they're ready to receive our application when we're ready to file it and they're ready to jump on it with vigor.

Craig Hutchinson: OK. Any possibilities of appeals from anyone external or future administrations on this decision?

Tom Collier: Certainly not anyone that's involved in these particular cases. The only parties that can appeal these cases would be actual parties to them and that's the government and us. And both of us have settled.

We all know that future administrations can have different policy perspectives but it's our intention that our permit application is going to be based on a rigorous and robust environmental impact statement that's going to be completed here during this administration and that the decision will be obvious from that independent, thorough, scientific review.

Craig Hutchinson: OK. In terms of the partnership, is the plan to submit the permit applications after a partnership has been established?

Ron Thiessen: Craig, that is correct. We'd like to have the partner on side at the time and bought into the design for the development. And so, the submission would take place post re-partnering.

Craig Hutchinson: Any guidance in terms of the size of the project you guys will be targeting? Underground, open pit, a combination of both – or is it too early?

Ron Thiessen: It's definitely too early on some of that. In terms of underground mine development, we'd have to do additional substantial work in terms of exploratory shaft and underground working, but I don't want to say too much on size and scale but its highly likely to be smaller than has been historically considered, but still very robust and defensible and a great opportunity.

But I want the partners to – or partner – to have a clear and unbiased opportunity to weigh in on that before we go public with it.

Craig Hutchinson: OK. Makes perfect sense. OK guys, thanks for answering my questions and I'll turn the line over to somebody else.

Ron Thiessen: Thank you, Craig.

Operator: Your next question comes from John Addis of FourWorld Capital.

John Addis: Hi guys. Can you hear me OK?

Ron Thiessen: Yes.

John Addis: OK. Well first, congratulations. Great job. I guess my question is really focused on the partnering. Could you give us some color as to maybe the number of parties that are engaged and some idea of your expected time frame?

Ron Thiessen: Thanks, John, for your congratulatory and your questions. I can't really. They're all subject to confidentiality agreements. They're very tight and legalese. We have, obviously, more than one and I think there's a great

opportunity, in fact, for the potential of a consortium to be the ultimate developer at Pebble. In terms of timeline, now – aspirationally, we've said that we looked to complete something by the third quarter of this year. These are things that we believe we can do, but I don't want to draw hard lines in the sand.

We've spent a lot of time with different companies going through the data room and over the intervening period of this litigation. So, I feel pretty confident that there's a very high level of interest in the project and that we should be able to accomplish our aspirations.

But again, it's something that we believe. We can't – negotiations have their own timelines and so, we can't force other people's decisions.

John Addis: Great, thank you.

Operator: Your next question comes from Joseph Salino of Windsor Street Capital Market.

Joseph Salino: Yes, hi. Good afternoon gentlemen. First off, congratulation on a long, drawn-out struggle and obviously a positive win. My first question was pretty much answered from the previous gentleman regarding a partnership. One of the articles Ron had mentioned that by October that you'd probably have a new partner in place.

My question is, your previous partners, which were Rio Tinto and Anglo American, do they have anything to do with the project anymore? Or are they pretty much out of it totally. And my next question would be is there a possibility of them coming back in as partners?

Ron Thiessen: Thank you for your participation and your congratulations. Certainly it wouldn't be my position to speak for either Rio or Anglo. Both of them are completely out of the project. Anglo was in at asset level as partner and Rio was in as a shareholder of Northern Dynasty and I can't really comment at all. Like I said, I can't speak for them and so, I can't comment on what their intentions might be.

Joseph Salino: OK. Another question – would it be possible of locking-in a partner before an October date?

Ron Thiessen: Again, it's highly possible because we've had fairly comprehensive ongoing discussions over the timeframe of the litigation. Anglo withdrew in 2013. And post their withdrawal we were getting ready for re-partnering discussions. And we had a very healthy list of companies at that time who were very interested. But it was basically shut down by the EPA's preemptive actions in February of 28 [2014].

We did continue dialogue over the intervening period. It's also been a period of volatile and low metal prices. And so, most major mining companies were pulling in their expenditure programs and seeking ways to reduce costs. So I think that that part of the cycle has changed. And so, we are coming to this settlement in a time of improving metals and a period of time where not a lot of development has happened. Not a lot exploration happened over the past while.

And so, I think Pebble is kind of a shining star sitting out there. Great optionality; given the size and scale of the project and the opportunity for several different development scenarios. And as we've said, it's had a tremendous amount of money spent on it. It's a well defined resource. It's probably got one of the most comprehensive environmental baseline data libraries of any industrial development in America. And so, I think we're in a very good position.

Joseph Salino: OK. And my last question; could you shed a little color on – with today's gold prices, the value of the gold resource at Pebble?

Ron Thiessen: Probably.

Doug Allen: Well the in-situ value, if that's the question, [deleted]. But it clearly needs a (permit).

Joseph Salino: OK. All right, gentlemen. Thank you for taking my call and keep up the good work.

Joseph Salino: Thank you.

Operator: Your next question comes from Joel Sutherland of CIBC.

Joel Sutherland: Hi, congrats to all. I know this has been a long, drawn-out process. And it must be nice to – I'm not sure if you got any sleep last night or maybe in the last week. But I have two questions.

The first is, Ron, you touched on where you think we are in the cycle. I'm wondering if you can go in to a little bit more depth; specifically, can you expand on where – on your view of where we are with the lack of CapEx in the industry and how few exploration companies there are in base metals? And maybe if you can touch on where – what a comparable period might be – I don't know, in the 70s or 80s? So we can reference it.

And then the second question I had was; does any CA or NDA, or anything you've signed with anyone that's been in the data room prevent them from accumulating shares in advance of potentially partnering with you? That's it for me.

Ron Thiessen: So in terms of where we are in the cycle and comparisons to historical, I guess I'd say – you know, I think given the dearth of things that have been done over the last several years, we could probably look at something like the early 90s and the explosion of development in Latin America; particularly, in Chile. Not too much had happened though the 1980s. And then, with the opening up of Chile in the late 1980s, early 1990s, there was a huge surge in resource development.

Then again, as we came out of what I call – used to call nuclear winter, which was basically 1997 to about 2004, 2005; a lot of companies were looking. And a lot of M&A transactions took place between, sort of, 2006 and 2009 – 10. So I think we're on the cusp of something like that again.

We've got a lot of these world-class mines that have – are depleting. I mean, their grades are going down. They're expanding their operations just to stand still. And really there's not too many world-class tier-1 projects; especially located in jurisdictions like the United States. And companies are facing a lot

more regional and nationalism with developments in other parts of the world. So again, I think, on that perspective Pebble is very well positioned.

Joel, in terms of your question about the NDAs that we've signed – again, I can't really get in to specifics and details. But generally, those NDAs preclude a party who goes in to the data room from acquiring shares in the marketplace. They also have to make a decision on their own, having been in the data room. Do they have information that they could use to their advantage?

And that's usually precluded. So, I would say that most major mining companies don't try and position themselves before trying to do a deal.

Joel Sutherland: Thank you very much and congratulations again.

Ron Thiessen: Thanks, Joel.

Operator: Your next question comes from Stefan Ioannou of Cormark Securities.

Stefan Ioannou: Great, thanks very much guys and, again, congratulations on the agreement. Most of my questions have been answered. I was just curious, could you remind me once the Corps of Engineers is done with the EIS and hopefully a positive outcome, how long, technically, does the EPA have after that to actually file a recommended determination?

Ron Thiessen: And, Tom, I'm going to let you deal with that. Usually, the EIS get completed then you get a record of decision.

Stefan Ioannou: Yes.

Ron Thiessen: But in terms of a full-fledged EIS, I guess, is what the question is, how long would they have to.

Tom Collier: So, [it's] how you can interpret the regs, what they might be able to do and then there's the practical way that they've done it for the last forty years. And for the last forty years, the issuance of a proposed veto by EPA has come right on the heels of a R.O.D. [Record of Decision].

And so, you finish the entire process, the Corps makes its decision and if EPA believes that there are extraordinary circumstances that haven't been addressed, then it issues a proposed veto and that process can take a year or two years to work its way through the course of action.

There was a case here recently that the Corps may have a little more time after the ROD has been issued to that but there a great deal of political pressure that's been brought against that interpretation and it's clear to me that this administration does not accept that interpretation.

Instead, it'll be – excuse me, guys, instead it will be dealing with this – if they're going to issue anything, it'll happen right around the time of us finishing up our environmental impact statement. The – and we think that's going to be within a period of about three to four years.

Stefan Ioannou: OK, OK, well that's helpful. Thanks very much and congratulations.

Ron Thiessen: Thanks, Stefan.

Operator: Your next question comes from Mike Warner of GAMCO.

Mike Warner: Hi, guys, can you hear me?

Ron Thiessen: Yes, yes we can.

Mike Warner: Yes, well first off, congratulations guys. I've been with you guys for a while and can't actually believe I'm on the phone with you guys, but now, what would you say if – did you guys this would ever get on, like, [?] fast track permitting that could possibly speed up the permitting process?

Tom Collier: Yes, let me take a whack at that. I think -- one of the things that President Trump has talked about is improving the performance of permitting. I mean, it's got to the point – a process that was intended to take only a couple of years now, routinely, takes four or five years.

And in our initial meetings with Corps of Engineers, they recognized this. They recognized there was going to be a lot of pressure to meet timed

deadlines, to staff things differently, to do things on parallel tracks, instead of finish one and then pick up and start another one.

And it's just a lot of efficiency planning. You can cut these timeframes way back, so I think we're coming into permitting at exactly the right time. I think we're going to ride a wave that is going to come through government being less bureaucratic and more efficient and more responsive.

And we're eager to be the, kind of, the first ones through that process and we think that we're going to be able to get our permit granted in record time. Now, I'm not suggesting any corners are going to be cut, or it's not going to be as thorough or rigorous, but I am – I do believe, very strongly, that it'll be much more efficient and can move along much more quickly.

Mike Warner: Right, right. Well, it's just – I'm glad to see you guys achieved a fair look at things, which we all deserve. Now, just generally, last thing; I won't hold you guys too long, I'm sure there's some other questions. I guess, if you could think of one, what's the next biggest hurdle that you guys can see?

Ron Thiessen: Well, the next milestone is to re-partner. We have, we've got a couple of objectives for this year and they start with some fieldwork – fieldwork programs, so we need to gather some additional data with respect to some of the infrastructure.

We'll enhance our permitting documentation. So, there's the fieldwork program, there's – and that'll obviously lead to a comprehensive project description, which is what we file with the Army Corps of Engineers and the re-partnering.

So, those are three things that we're, again, aspirational to achieve those as soon as we can, but certainly we believe this year we can do that.

Mike Warner: Right, right, nope that would be absolutely huge. Now, do you think I should buy my space – spacesuit now, for the trip to the moon?

Ron Thiessen: Well, I don't know. You'd have to...

Mike Warner: I'll let you – I'll let you guys go. Once again, congratulations guys, let's go.

Ron Thiessen: Thank you. I was just going to recommend that you call Elon for that, because I think he's taking presales on trips to the moon.

Mike Warner: Awesome, will do.

Ron Thiessen: Thank you.

Mike Warner: Thanks.

Operator: Your next question comes from Brandon Medina of Medina Capital.

Brandon Medina: Congratulations guys, again, on your long fight with the EPA. Just a quick question, do you have any contingency plans if you don't partner?

Ron Thiessen: I mean, we could always proceed into the permitting process ourselves. Ultimately, that would be a very substantial change in the business plan, but that is an alternative.

I just feel that given the interest level and given the quality of the Pebble Project we're going to be successful on that front. So, that's just my belief. So, it's – when you look at Pebble – when you look at the alternatives out there for companies to undertake, this is really a tier one asset of unique proportion.

Brandon Medina: OK, thank you.

Operator: We have time for one more question. Your final question comes from Bernie de Groot of Canaccord.

Bernie de Groot: Gentlemen, just want to say congratulations on the milestone achievement here and I do have a couple of questions here. I'm curious to see, regarding the comments of three to four years for the EIA; why do you have that defined timeline – for the EIS -- sorry?

Ron Thiessen: We believe that that's what the time table – when you look at what – the work that needs to be done and the schedule that is recommended time periods for

that, you come out with that kind of a number. All of the minimum time periods for the public comments and the reviews, its three years. If you add a little bit a cushion to those, it's four. So it's, Bernie it's more of a guidance than anything else.

Bernie de Groot: Now you've spent what \$800 million thus far on the project, how much does that save you going forward?

Ron Thiessen: Well I think a huge amount because obviously there's been a tremendous amount of technical work done and the permitting process is about alternative analysis. So while the ore body is where the ore body is. Everything else can be placed elsewhere. The mill can be placed in a variety of locations. The waste deposition sites, the tailing sites, the road corridors, port facilities and really that's what the Corps looks at. Is, "what are the alternatives"?

First, what is the impact? The footprint impact of what you've chosen and what alternatives have you looked at? Can we further mitigate any of your impacts by choosing one of the alternatives? And I think that given the size and scale of the expenditures on Pebble, we're probably one of the best positioned projects out there to do a very comprehensive and rigorous alternative analysis.

Bernie de Groot: Last question and I don't want to take up more of your time, how involved were your potential partners in the process and settlement that you've arrived at?

Ron Thiessen: So it's been, and again I'll repeat; a long period of time that we've been in this litigation. The ultimate outcome that we and any perspective partner were looking for was normalized permitting. They all understand normalized permitting and it is ultimately a very simple concept. And so, it's seems like we spent a lot of money, we did a lot of stuff to come up with a settlement, which fundamentally puts us into normalized permitting.

There's a couple features that, that we looked at. I mean number one, is the 30 months to get into permitting. And that's important from two prospects. Number one, we really want to get into permitting quickly, but that's Northern Dynasty. A lot of major mining companies they don't want to do things in a

big hurry, and, so 30 months we think is very reasonable timeframe for everybody to get very comfortable with the project. It's should go on to permitting.

We think we can do it much quicker but again, with 30 months, we're not putting any pressure on anybody to accomplish that. And then there was I like to think for greater certainty, the four year period where we say, okay so we are guaranteed normalized permitting. We believe that we will have normalized permitting in the future even without that part of the agreement. But it's in there for greater certainty. So I hope that answers your questions Bernie?

Bernie de Groot: It does and I appreciate your time. And I just want to say, congratulations for seeing this through. There's been such a high level of M&A in the space and I just think your time is fantastic with such a world class project up there. Thanks guys.

Ron Thiessen: Thank you and thanks for the support Bernie.

Operator: Thank you that concludes our question and answer period. I will now return the call back over to Ron Thiessen for closing remarks.

Ron Thiessen: Thank you Paula. And thank you everybody for your participation and your support over the years. We now look forward to the period ahead during which we expect to continue to deliver on our milestones and our aspirations. It has been and remains our priority to advance Pebble through a development plan that incorporates enhanced environmental safe guards and meets the permitting requirements enforced in Alaska and the United States.

We'll look forward to the normal permitting process and are excited at the prospects proving to all regulators, Alaskans, shareholders and indeed all stakeholders that a mine at Pebble can be developed in an environmentally responsible manner. We believe that the Pebble project is strategic for Alaskans and for the United States.

Again thank you for your time and interest today and your support.

Operator: Thank you. That concludes today's conference call for Northern Dynasty Minerals. You may disconnect your line at this time and have a wonderful day.

END