



Chickaloon Coal Leases

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LAST MODIFIED: 12TH AUGUST 2019

CREATED: JAN. 19, 2018

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Summary

Plans for developing the Chickaloon Coal Field in the Matanuska Valley were previously abandoned in 2007, but were resurrected in 2011 when the Alaskan Mental Health Trust Authority (AMHTA) (<http://www.mhtrustland.org/>) offered up 10,000 acres of coal leases (http://articles.ktuu.com/2011-11-28/news_30452811). The company which obtained these leases, Riversdale Resources Ltd., explored the leases for coal mining potential through late 2013 and then placed the project on hold “indefinitely”. Unlike the thermal coal used by Usibelli (</Issues/AlaskaCoal/UsibelliCoalMine.html>), Riversdale was seeking coking coal for overseas export (</Issues/AlaskaCoal/AlaskaCoalExports.html>).



CASTLE MOUNTAIN — Most of the land visible in this photo is part of the Chickaloon coal leases sold by the AMHT in 2011 — Get Photo (</photos/castle-mountain/>)

History

The Matanuska Valley has been a historically important source of coal (AlaskaCoalHistory.html) in Alaska. Mining began near Chickaloon in the 1890s, with a peak during the early 1920s as a source of Navy coal. However, the area has not had any operating coal mines since the 1960s.

In 2006 a Canadian company that specializes in Alaskan mining, Full Metal Minerals (<http://www.fullmetalminerals.com/>), obtained a coal exploration lease for 23,000 acres of land in the Matanuska Valley Moose Range from the AMHTA who owns the subsurface rights to the land. Citing several concerns, primarily strong local opposition to the project and technical difficulties to extract the coal, Full Metal Minerals relinquished the claim in April 2007.

Current status

In November 2011, the AMHT [offered 10,000 acres \(http://articles.ktuu.com/2011-11-28/news_30452811\)](http://articles.ktuu.com/2011-11-28/news_30452811) in the Chickaloon area up for coal leasing. In January 2012 [the results were announced \(http://www.frontiersman.com/news/aussie-firm-wins-coal-bid/article_4e806916-382d-11e1-97c2-0019bb2963f4.html\)](http://www.frontiersman.com/news/aussie-firm-wins-coal-bid/article_4e806916-382d-11e1-97c2-0019bb2963f4.html) with a winning bid of \$3 million. The leases were purchased by an Australian company called Riversdale Resources Ltd. May 2012, Riversdale [applied \(http://dnr.alaska.gov/mlw/mining/coal/chickaloon/\)](http://dnr.alaska.gov/mlw/mining/coal/chickaloon/) for exploration permits on the property and limited exploration (mainly aerial surveys) occurred throughout 2012 and 2013. In late 2013, Riversdale placed the project on hold “indefinitely” citing challenging geology.

Further Reading

- > ["2011 CHICKALOON COMPETITIVE COAL LEASE PROSPECTUS" \(2011\) prepared by the Alaska Mental Health Trust Authority. \(http://www.mhtrust.org/layouts/mhtrust/files/documents/2011%20CHICKALOON%20Prospectus%20Rev%2042%20FINAL.pdf\)](http://www.mhtrust.org/layouts/mhtrust/files/documents/2011%20CHICKALOON%20Prospectus%20Rev%2042%20FINAL.pdf)
- > [Castle Mountain Coalition \(http://www.castlemountain.org/\)](http://www.castlemountain.org/)
- > [Riversdale Resources Ltd. Overview on the Chickaloon Project \(http://www.rivresources.com/irm/content/overview.aspx?RID=282\)](http://www.rivresources.com/irm/content/overview.aspx?RID=282)