

Industrial Waste Monofill Solid Waste Permit Application



Alaska Department of
Environmental Conservation
Division of Environmental Health
Solid Waste Program

May 25, 2012

Mr. Ed Emswiler
Solid Waste Program
Alaska Department of Environmental Conservation
410 Willoughby Avenue, Suite 303
Juneau, Alaska 99811-1800

CC: Mr. Kyle Moselle,
Large Project Coordinator

SUBJECT: Letter Request and Permit Renewal Application to Operate an Industrial Solid Waste Monofill

Dear Mr. Emswiler:

The Niblack Exploration Project is a copper-gold-zinc-silver prospect on southeastern Prince of Wales Island, approximately 30 miles southwest of the town of Ketchikan, Alaska. Niblack Project LLC (NPLLC) is the owner and sole operator of the exploration property. The underground construction and mineral exploration activities on Niblack property are performed under Waste Management Permit 2006-DB0037 (the Permit). This application is submitted to request renewal of the Permit, which expires on June 28, 2012. Additionally, the following documents are submitted in support of the permit renewal application:

- Application for Wastewater Treatment and Disposal Under the Waste Management Permit (Integral 2012e)
- Niblack Project Underground Exploration Plan of Operations 2012 Post-Construction Update (Integral 2012a)
- Niblack Reclamation and Closure Plan 2012 Post-Construction Update (Integral 2012b)
- Niblack Water Quality Monitoring Plan 2012 Post Construction Update (Integral 2012c)

The original Niblack Industrial Solid Waste Landfill Application under the Waste Management Permit was filed by the previous site owners, Niblack Mining Corporation, on April 13, 2007. The Niblack Wastewater Treatment and Disposal Application under the Waste Management Permit, filed on March 28, 2007, presented the water treatment aspects of the project. Permit approval was granted on June 29, 2007. Site construction, reclamation, and wastewater management activities conducted at the site have closely followed the proposals submitted in 2007.

Niblack Mining Corporation was acquired as the principal asset of Abacus Alaska Inc. by Committee Bay Resources Ltd. (CBR) on October 1, 2008, which subsequently underwent a corporate name change to CBR Gold Corporation (CBG). In July 2009, Heatherdale Resources Ltd. entered into a joint venture agreement with CBG and the two companies formed the operating entity Niblack Project LLC (NPLLC). NPLLC acquired 100 percent ownership interest in the Niblack Exploration Project in early 2012.

The purpose of the industrial solid waste landfill project is to store and monitor potentially acid-generating (PAG) waste rock generated during excavation of the underground exploration access drift. Underground construction and excavation of the drift commenced on September 21, 2007 and was completed on July 12, 2008. At the end of drift construction, the total length of excavation was 3,288 ft, and approximately 9,000 tons of PAG material and 960 tons of mineralized PAG ore were placed in the PAG temporary storage facility and the ore stockpile, respectively. A total of 56,200 tons of non-acid generating (NAG) material was produced during the drift excavation period; all of the NAG material has been utilized in the construction of site roads and facilities (a portion of this material, originally placed on a haul road, has been sorted and stored in a fines stockpile that is used for road maintenance). No additional production of waste rock material is currently anticipated; however, the total volumes of PAG and NAG material estimated based on the full design drift length of approximately 6,000 ft are utilized in this renewal application to allow for possible future expansion of exploration activities. The proposed and as-built underground construction designs are presented and discussed in Section 6 and Appendix B of this application. The access drift was constructed utilizing mining techniques that minimize underground water flows. Site water management, treatment, and disposal are discussed in more detail in the Application for Wastewater Treatment and Disposal under the Waste Management Permit (Integral 2012e).

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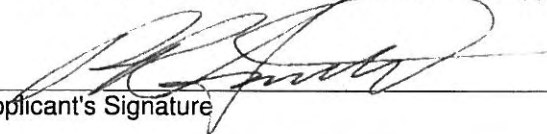
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The underground exploration drift is constructed at the 380-ft level within Lookout Mountain, which has an elevation of 2,300 ft. The terrain is mountainous and rugged with steep to moderate slopes. Elevations range from sea level to peaks of 2,600 ft and greater. Slopes are covered with temperate rainforest vegetation. Most of the Niblack Project surface facilities are screened from the bay by this dense forest cover. The forest gives way to sparse vegetation only at the highest elevations, generally above 1,800 ft.

Temperatures are moderate and rainfall is high. Typical temperatures for the region average 45.6°F and range from 28°F to 65°F. Total precipitation averages 138 in. annually, and is generally greatest from September through February (Integral 2012d). Four perennial streams flow through the project area. Many small intermittent drainages, swales and rivulets flow through the project area and eventually feed into these creeks or directly into Niblack Anchorage. Recharge from precipitation forms the shallow groundwater system that discharges to surface streams, either by overland flow or saturated interflow, and likely has a short residence time unless it reaches the bedrock. The valley bottom is likely composed of unconsolidated alluvium, colluvium/landslide deposits, and glacial sediments. Subsurface water may temporarily flow through these sediments and will likely report to streamflow, or wetlands at lower elevation (Knight Piésold 2007b).

The project is limited to development within private land holdings, with the exception of the tideland lease area managed by the Alaska Department of Natural Resources (ADNR). The project does not receive federal monies; it is exempt from 18 AAC 60.205. NPLLC is aware of all applicable local ordinances, zoning requirements, and ACMP requirements defined in 11 AAC 110. A completed Coastal Project Questionnaire and Certification Statement for the project was submitted in 2007.

I, Patrick Smith, certify under penalty of perjury, that all of the information and exhibits in this cover letter and application are true, accurate, and complete.


Applicant's Signature

May / 24 / 2012
Month Day Year

President and Chief Executive Officer
Applicant's Title

Information about signatures

All permits or applications must be signed as follows, per 18 AAC 15.030:

- **Corporations:** A principal executive officer, an officer that is no lower than the level of vice president, or a duly authorized representative who is responsible for the overall management of the project or operation
- **Partnerships:** A general partner
- **Sole proprietorship:** The proprietor
- **Municipal, state, federal, or other public entity:** A principal executive officer, ranking elected official, or duly authorized employee

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Part Two: Cover Letter and Certifications

A cover letter must be prepared, as outlined below, and submitted with the permit application.

✓	#	Requirement - letter must include:	Regulatory Citation
√	1	A statement indicating you wish to obtain a permit for an industrial waste monofill.	18 AAC 60.210(b)(1)
√	2	Evidence showing that the proposed facility meets the requirements for an industrial waste monofill.	
√	3	A brief general description of the site topography, geology, climate, surface hydrology and groundwater hydrology.	
√	4	The applicant must submit a signed original of the application cover letter.	18 AAC 15.030 18 AAC 60.210(a)
√	5	The applicant must submit a signed original of the following statement, which may be added, exactly as shown in the box below, to the cover letter. As an alternative, the applicant may sign this sheet and submit it as an attachment to the cover letter.	18 AAC 60.210(b)(2)