



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Environmental
Conservation
DIVISION OF WATER

Wastewater Discharge Authorization Program

555 Cordova Street
Anchorage, Alaska 99501-2617
Main: 907.269.6285
Fax: 907.334.2415
www.dec.alaska.gov/wastewater

October 20, 2023

JT Mining Inc. (High Gold Mining Inc.)
Attn: Devin den Boer, Vice President-Operations
405-375 Water Street
Vancouver, BC V6B5C6

Re: JT Mining Inc. a subsidiary of HighGold Mining Inc., Johnson Tract
POA-2023-00115 v1.0, Johnson River

Dear Devin den Boer,

In accordance with Section 401 of the Federal Clean Water Act of 1977 and provisions of the Alaska Water Quality Standards, the Department of Environmental Conservation (DEC) is issuing the enclosed water quality certification that the discharge from the proposed project will comply with water quality requirements for the placement of dredged and/or fill material in waters of the U.S., including wetlands and streams, associated with the proposed project: *Johnson Tract*.

A person authorized under a provision of 18 AAC 15 may request an informal review of a contested decision by the Division Director in accordance with 18 AAC 15.185 and/or an adjudicatory hearing in accordance with 18 AAC 15.195 – 18 AAC 15.340. See DEC's "Appeal a DEC Decision" web page <https://dec.alaska.gov/commish/review-guidance/> for access to the required forms and guidance on the appeal process. Please provide a courtesy copy of the adjudicatory hearing request in an electronic format to the parties required to be served under 18 AAC 15.200.

By copy of this letter we are advising the U.S. Army Corps of Engineers of our actions and enclosing a copy of the certification for their use.

Sincerely,

Handwritten signature of James Rypkema in black ink.

James Rypkema
Program Manager, Storm Water and Wetlands

Enclosure: 401 Water Quality Certificate

cc: (with encl.)
Jack DiMarchi
Jennifer A Mercer, USACE

Kate Kanouse, ADF&G
USFWS Field Office Juneau
Matthew LaCroix, EPA AK Operations
Kelly McDonald, EPA AK Operations

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
Water Quality Certification

In accordance with Section 401 of the Federal Clean Water Act (CWA) and the Alaska Water Quality Standards (18 AAC 70), a water quality certification is issued to the JT Mining Inc. a subsidiary of HighGold Mining Inc., Attn: Devin den Boer, 405-375 Water Street, Vancouver BC V6B5C6 that the discharge from the proposed project *Johnson Tract* will comply with water quality requirements for the placement of dredged and/or fill material in waters of the U.S. including wetlands and streams.

A state issued water quality certification is required under Section 401 because the proposed activity will be authorized by a U.S. Army Corps of Engineers permit POA-2023-00115 and a discharge of pollutants to waters of the U.S. located in the State of Alaska may result from the proposed activity. Public notice of the application for this certification was given as required by 18 AAC 15.180 in the DEC Public Notice POA-2023-00115 posted from July 06, 2023 to August 06, 2023.

Project Purpose, Description, and Location

Project Location: The proposed activity is located within Section 7, T. 1s, R. 21w; Seward Meridian; in Kenai Peninsula Borough, Alaska. Project Site (Latitude, Longitude): 60.09027, -152.91949. With potential discharge location(s) as follows: Upgrading existing airstrip, lengthening, and realigning -152.90371, 60.09108; access road construction - 152.96440, 60.09027.

Project Purpose: The applicant's stated purpose is to provide safe and practical access to the JT mineral deposit for the purpose of completing underground advanced exploration drilling. The discharge of clean fill to WOTUS is necessary to build a gravel access road and realign and lengthen an airstrip.

Project Description: The project activity for the Johnson Tract project is for the improvement of the existing airstrip to include the realignment and lengthening up to 5,000 ft. The project also proposes to construct 2.3 miles of new access road between the airstrip and entrance to the proposed underground exploration ramp, and an additional 0.3 miles to material site JT-06 and the development of up to 6 material sites for fill. And an underground ramp or linear tunnel that will allow access for exploratory drilling to deeper portions of the JT mineral deposit.

Construction activities will be supported by existing infrastructure including airstrip, camp and roads between camp and airstrip. No new camp facilities proposed. The road will include single span bridges crossing on the Johnson River and another on Double Glacier Creek. Approximately 21 culverts will also be installed. Bridge abutments are designed to be above Ordinary High Water (OHW) so they do not impact Waters of the US. (WOTUS). All activities are on Cook Inlet Region Incorporated (private) surface and subsurface lands. WOTUS impacts include fill to 9.0 acres of wetlands and 1,470 ft. of linear impacts to streams resulting from culvert installation.

The applicant proposes to discharge a total of 14,872 cubic yards of general embankment fill and 13,000 cubic yards of surfacing material into 9 acres of waters of the U.S. (WOTUS), including wetlands, to construct a portal access road and airstrip, and to impact 1,470 linear feet of streams by installing culverts.

The proposed construction of the 2.3-mile-long portal access road would discharge 2,686 cubic yards of general embankment fill and 4,662 cubic yards of surfacing material into 3.6 acres of wetlands. The road would extend another 0.3 mile to access a material site located in uplands. The access road would be constructed as a cut/fill road with a top surface that is 12 feet wide and maximum 2:1 side slopes. The road would be designed as a single lane with pullouts where necessary to accommodate two-way traffic. Pullouts (10 feet wide x 200 feet long) would be located for intervisibility and at regular intervals not exceeding one-half mile to allow for safe vehicle passage. The depth of fill would vary depending on the terrain and construction method. Typical fill includes select embankment fill (pit run gravel or rock < 12

inches), topped with surface material fill (pit run gravel or crushed rock < 2 inches). Geotextile fabric would be installed where required for road stability (approximately 1 mile of the 2.3-mile road).

Two bridges would be required for the portal access road. A 90-foot clear span bridge would be utilized for crossing the Johnson River (sheet 6). A 60-foot clear span bridge would be utilized for crossing Double Glacier Creek, which is a tributary of the Johnson River. Culverts would be placed at minor drainage crossings including several in fishbearing streams. Culverts would be large enough to allow fish passage. Bridge and culvert designs would be reviewed by Alaska Department of Fish and Game (ADF&G) and permitted to ensure minimal impacts to fish habitat and protection of fish passage.

For the realignment and extension of the existing airstrip, 12,186 cubic yards of general embankment fill and 8,338 cubic yards of surfacing material would be discharged into 5.4 acres of wetlands. The upgraded airstrip would be lengthened to 5,000 feet and would have an approximately 150-foot-wide landing surface. A parking apron would be constructed on the south side of the airstrip and would measure approximately 400 feet by 300 feet.

Additional Information:

HighGold has a mineral lease with Cook Inlet Region, Incorporated (CIRI) to perform work on CIRI surface and mineral estate lands.

According to the applicant, the following additional approvals would be required for the proposed project:

Agency	Authorization Description
Alaska Department of Environmental Conservation (ADEC)	APDES Discharge Permit
ADEC	General Air Permit (MG9)
ADEC	Reclamation Financial Assurance Concurrence
ADEC	General Permit for Stormwater
ADF&G	Title 16 and Fish Passage Permits (for bridges & culverts)
Alaska Department of Natural Resources (ADNR)	Reclamation Plan Approval
ADNR	Water Use Authorization

Antidegradation Analysis Finding

Pursuant to the Department’s Antidegradation Policy and Implementation Methods at 18 AAC 70.015 and 18 AAC 70.016, DEC finds that the project would comply with the requirements for Tiers 1 and 2 regarding water quality impacts to receiving water immediately surrounding the dredge or fill material pursuant to the Corps evaluation and findings of no significant degradation under 33 U.S.C. 1344 and under 40 CFR 230. The use of appropriate best management practices and erosion and sediment control measures would adequately protect the existing water uses and the level of water quality necessary to protect existing uses. Any potential water quality degradation is expected to be temporary and limited and necessary to accommodate important social and/or economic development in the area.

Conditions Necessary to Ensure Compliance with Water Quality Standards or Other Appropriate Water Quality Requirements of State Law

The Department of Environmental Conservation (DEC) reviewed the application and certifies that there is reasonable assurance that the proposed activity, as well as any discharge which may result, will comply with applicable provisions of Section 401 of the CWA and the Alaska Water Quality Standards, 18 AAC 70, provided that the following additional measures are adhered to.

Pursuant to 18 AAC 70.020(a) and the Toxics and Other Deleterious Organic and Inorganic Substances in 18 AAC 70.020(b), the following conditions are designed to reduce pollutants from construction activity to ensure compliance with the applicable water quality standards.

Pollutants/Toxics

1. Fuel storage and handling activities for equipment must be sited and conducted so there is no petroleum contamination of the ground, subsurface, or surface waterbodies.
2. During construction, spill response equipment and supplies such as sorbent pads shall be available and used immediately to contain and cleanup oil, fuel, hydraulic fluid, antifreeze, or other pollutant spills. Any spill amount must be reported in accordance with Discharge Notification and Reporting Requirements (AS 46.03.755 and 18 AAC 75 Article 3). The applicant must contact by telephone the DEC Area Response Team for Southeast Alaska 907-465-5340 during work hours or 1-800-478-9300 after hours. Also, the applicant must contact by telephone the National Response Center at 1-800-424-8802.
3. Construction equipment shall not be operated below the ordinary high-water mark if equipment is leaking fuel, oil, hydraulic fluid, or any other hazardous material. Equipment shall be inspected and recorded in a log daily for leaks. If leaks are found, the equipment shall not be used and pulled from service until the leak is repaired.
4. Fill material (including dredge material) must be clean soil, sand, gravel, or rock, free from petroleum products and toxic contaminants in toxic amounts.

Turbidity, Erosion and Sediment Control

5. Runoff discharged to surface water (including wetlands) from a construction site disturbing one or more acres must be covered under Alaska's General Permit for Storm Water Discharges from Large and Small Construction Activities in Alaska (CGP, AKR100000, 18 AAC 83). The CGP requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). For projects that disturb more than five acres, this SWPPP must also be submitted to DEC prior to construction along with the Notice of Intent (NOI). For more information see DEC's website for the CGP at <https://dec.alaska.gov/water/wastewater/stormwater/construction>, or call 907-269-6285.
6. Excavated or fill material, including overburden, shall be placed so that it is stable, meaning after placement the material does not show signs of excessive erosion. Indicators of excess erosion include gullying, head cutting, caving, block slippage, material sloughing, etc. The material must be contained with siltation best management practices (BMPs) to preclude reentry into any waters of the U.S., which includes wetlands.
7. Include the following BMPs to handle storm water and total storm water volume discharges as they apply to the site:
 - a. Divert storm water from off-site around the site so that it does not flow onto the project site and cause erosion of exposed soils;
 - b. Slow down or contain storm water that may collect and concentrate within a site and cause erosion of exposed soils;
 - c. Place velocity dissipation devices (e.g., check dams, sediment traps, or riprap) along the length of any conveyance channel to provide a non-erosive flow velocity. Also place velocity dissipation devices where discharges from the conveyance channel or structure join a water course to prevent erosion and to protect the channel embankment, outlet, adjacent stream bank slopes, and downstream waters.

8. The permittee must stabilize any dredged material (temporarily or permanently) stored on upland property to prevent erosion and subsequent sedimentation into jurisdictional waters of the United States. The material must be contained with siltation control measures to preclude reentry into any waters of the U.S., including wetlands.

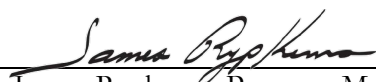
Vegetation Protection and Restoration

9. Any disturbed ground and exposed soil not covered with fill must be stabilized and re-vegetated with endemic species, grasses, or other suitable vegetation in an appropriate manner to minimize erosion and sedimentation, so that a durable vegetative cover is established in a timely manner.
10. All work areas, material access routes, and surrounding wetlands involved in the construction project shall be clearly delineated and marked in such a way that equipment operators do not operate outside of the marked areas.
11. Natural drainage patterns shall be maintained, to the extent practicable, without introducing ponding or drying.

General

12. DEC coordinates with several regulatory programs to review the impacts of proposed projects. A Section 401 Certification does not release the applicant from obtaining all necessary federal, state, and local permits, nor does it limit more restrictive requirements set through any such program. It does not eliminate, waive, or vary the applicant's obligation to comply with all state water statutes and rules through construction, installation, and operation of the project or mitigation, including, but not limited to the APDES permitting program 18 AAC 83 and 18 AAC 72.
13. USACE has stated that projects shall be reviewed under the federal rules in place at the time the application is received. This project and its mitigation were reviewed under the federal and state statutes and laws in place at the time the application was received. If the USACE determines any part or condition of this Certification is not lawful or is waived and unenforceable, the determination shall apply only to the part or condition so determined. The determination shall not apply to nor invalidate any remaining parts or conditions of this Certification. If the USACE makes such a determination, the applicant remains responsible for meeting state water quality statutes and rules, and if a violation occurs, may be subject to state enforcement (18 AAC 70.010).
14. This Certification does not release the applicant from any liability, penalty, or duty imposed by Alaska or federal statutes, regulations, rules or local ordinances, and it does not convey a property right or an exclusive privilege.
15. If your project is not completed by the time limit specified under USACE Permit and will continue, or for a modification of the USACE permit, you must submit an application for renewal of this certification at least 60 days before the expiration date or any deadline established by USACE for certification action on the modification, or 60 days before the proposed effective date of the modification, whichever is sooner. (18 AAC 15.120(b), 18 AAC 15.130, 18 AAC 15.180)..

Date: October 20, 2023



James Rypkema, Program Manager
Storm Water and Wetlands