



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Environmental
Conservation
DIVISION OF WATER

Wastewater Discharge Authorization Program

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www.dec.alaska.gov/water/wastewater

August 29, 2022

Peak Gold
Attn: Bartly Kleven
PO Box 73726,
Fairbanks AK 99707-3726

Re: Peak Gold, Manh Choh Project
POA-2013-00286 v1.0, Tanana River

Dear Bartly Kleven,

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: *Manh Choh Project*.

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,

A handwritten signature in black ink, appearing to read "James Rypkema".

James Rypkema
Program Manager, Storm Water and Wetlands

Enclosure: 401 Water Quality Certificate

cc: (with encl. via email)
Gregory Mazer, USACE
Ashlee Adoko, DNR
Audra Brase, ADF&G
USFWS Field Office Fairbanks

Matthew LaCroix, EPA AK Operations
Amy Jensen, EPA-Region 10
Kelly McDonald, EPA-Region 10

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 Peak Gold, Attn: Bartly Kleven, PO Box 73726, Fairbanks AK 99707-3726 that the discharge from the proposed project *Manh Choh 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.

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-2013-00286 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-2013-00286 posted from January 26, 2022 to February 25, 2022.

Project Purpose, Description, and Location

Project Purpose: The applicant's stated purpose is to: profitably produce gold from Native Village of Tetlin Lands, utilizing open-pit mining methods and existing proven recovery processes. The need for the project is for the Native Village of Tetlin and Peak Gold, LLC a legal corporation operating in Alaska, to benefit Native peoples and shareholders in a joint partnership to mine the Manh Choh Project, hauling the ore to Fort Knox for processing to meet global demand.

Project Description: Peak Gold LLC proposes to operate an open pit gold mine in the Tetlin Hills, near Tok, Alaska. In conjunction with the Native Village of Tetlin, it has been named the Manh Choh Project (Project). The proposed Project consists of three components: mine development (Manh Choh mine), ore transport, and ore processing.

- Mine development will occur in the Tetlin Hills on land owned by the Native Village of Tetlin.
- The proposed Project components include the North and South Pits, access roads, waste rock storage, overburden storage, ore transfer site, explosives storage, a personnel camp, and associated infrastructure. The access road construction (Manh Choh Twin Road and Manh Choh Site Road) will start in 2022 with mine development scheduled to begin in 2023.
- Prior to mining ore, the pit locations and other facilities will have the overburden (organic and developed soil horizons) stripped and stockpiled for use in reclamation.
- Ore will be segregated from waste rock (non-ore bearing rock) at the Project site. Ore will be hauled from the two pits by off-road haul trucks to the ore transfer site where the ore will be loaded onto highway capable vehicles for transport to the Fort Knox Mine, near Fairbanks.
- Ore will be hauled from the proposed Project to the Fort Knox Mine, approximately 250 miles one way. The current haulage plan is 3,900 tons of material per day to Fort Knox. This would be accomplished by 4 trips to Fort Knox and 4 return trips every hour, 24 hours a day for the life of the mine (4.5 years). Truck haulage will start in 2024 and continue throughout the operational life of the mine. Haul trucks will only carry Alaska Department of Transportation & Public Facilities (DOT&PF) approved loads.
- Ore processing and gold recovery will use existing, permitted facilities at Fort Knox. No milling of ore will be completed at the Project. Therefore, no tailings disposal will take place at the Project. Tailings disposal will take place at the permitted Fort Knox Mine. The Project does not require any new federal permits at Fort Knox.

During operations at the Project mine site, a maintenance shop, warm storage, mine offices, fuel island, water treatment ponds, explosive storage pad (Powder Magazine), and parking will be maintained. These mine facilities will be sited in uplands.

Mining ceases at the end of 2027. Reclamation will be concurrent with mining operations, but full closure begins in 2028 with reclamation of Best Management Practices (BMPs) progressing until meeting all requirements in the Reclamation and Closure Plan. When mining ceases at the Project all waste rock dumps will be graded to overall slopes of 3:1 (H:V). Growth media stockpiles will be spread over the waste rock to a minimum one-foot depth. The regraded and covered waste rock will be reseeded. All seeding on site will be done with native seeds. The growth media storage sites will be recontoured and seeded when growth media is removed. All mine facilities including the camp, maintenance shop, ore transfer site, mine offices, fueling, parking areas, explosives, and laydown areas will be cleaned, regraded, and seeded. Pit berms and warning signs will be installed around the perimeter of pits. All equipment, on-site buildings, and supplies will be removed from site when reclamation is complete. The main mine access road will remain serviceable for onsite monitoring.

Project Location: The proposed activity is located within Southeast Fairbanks Census Area, Copper River Meridian, The project site is located at Section 1, T16, R13. Latitude 63.1865809, Longitude -142.889417; in Fairbanks, Alaska.

USGS Quadrangles		Public Land Survey System		
Tanacross	A-4	Township	Range	Section
		16	13	1-3, 10-16
		16	14	1, 2, 6, 7, 18
		16	15	6
		16	13	23-25, 34-36
		16	14	19-22, 26, 27, 29-36
	B-4	16	13	13, 14
		16	14	5, 8, 9, 16-18
		16	14	19, 20, 29, 32

The following table lists the Project components and impacts to waters of the U.S. (WOTUS) to include wetlands, ponds, and streams. Cubic yards of fill are estimated and may vary based on site conditions. The permanent jurisdictional impact in wetlands and waters is approximately 5.2 acres.

Project Component	WOTUS Acres Impacted	Cubic Yards Fill in WOTUS	Fill Type	Latitude	Longitude
Manh Choh Twin Road	3.8	6,130	Clean Fill	63.286600	-142.769600
Manh Choh Twin Road	0.01	16	Clean Fill	63.236800	-142.823900
North Pit	0.3	N/A	Excavation	63.186044	-142.885787
South Pit	0.5	N/A	Excavation	63.183087	-142.898216
Waste Rock Dump	0.05	81	Clean Waste Rock	63.179720	-142.894003
Ditch/Spoils/Fill	0.6	968	Excavation/Spoils	63.178758	-142.893066
Totals	5.26	7,195			

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 Northern Alaska at 907-451-2121 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 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.
5. Activities that include discharges of process wastewater, dewatering water, or drainage waters from open-cut mines or mechanical dredges, permittees shall obtain additional discharge coverage from an appropriate Alaska Pollutant Discharge Elimination System (APDES) permit. For more information, contact the DEC Engineering and Mining Technical Services (907-451-2142, or see DEC's website: <http://dec.alaska.gov/water/wwdp/engineering/engineering.htm>).

Turbidity, Erosion and Sediment Control

6. 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 <http://dec.alaska.gov/water/wastewater/stormwater/construction>, or call 907-269-6285.

7. Projects that includes storm water discharges associated from mineral or metal mining, or open-cut gravel quarries, the permittee will need to obtain additional discharge coverage from an appropriate Alaska Pollutant Discharge Elimination System (APDES) permit. For more information see DEC's website for the APDES Multi-Sector General Permit (MSGP) authorization at <http://dec.alaska.gov/water/wastewater/stormwater/multisector/> or call 907-269-6285.
8. 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 gullyng, 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.
9. 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.
10. 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


11. 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.
12. 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.
13. Natural drainage patterns shall be maintained, to the extent practicable, without introducing ponding or drying.

General

14. 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.

15. 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).
16. 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.
17. 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: August 29, 2022



James Rypkema, Program Manager
Storm Water and Wetlands