

**2021 Annual Report  
for  
Niblack Project  
Reclamation Plan Approval  
J20182711RPA**



Prepared For:  
Alaska Department of Natural Resources

Prepared By:  
Niblack Project LLC  
BlackWolf Copper and Gold LTD.  
Suite 3123 - 595 Burrard Street  
Vancouver, BC, V7X 1M9  
Phone: (604)-343-2997

April 2022

Page is intentionally blank

## Table of Contents

<b>1.0</b>	<b>INTRODUCTION</b> .....	<b>1</b>
1.1	PROJECT OVERVIEW.....	1
1.2	LOCATION, ACCESS, AND PROPERTY DESCRIPTION .....	1
<b>2.0</b>	<b>DESCRIPTION OF 2021 OPERATIONS</b> .....	<b>2</b>
2.1	SURFACE OPERATIONS .....	2
2.1.1	Exploration Drilling.....	2
2.1.2	Water Quality Monitoring .....	2
2.2	UNDERGROUND OPERATIONS .....	5
2.3	WATER MANAGEMENT OPERATIONS.....	6
2.3.1	Storm Water Management .....	6
2.3.2	Mine Water Management .....	6
2.3.3	Authorized Water Use .....	6
2.4	WASTE ROCK MANAGEMENT OPERATIONS .....	6
<b>3.0</b>	<b>RECLAMATION</b> .....	<b>7</b>
3.1	DRILL SITES .....	7
3.2	RECLAMATION FINANCIAL ASSURANCE .....	7

### LIST OF FIGURES

Figure 1	Niblack Project Location Map .....	2
Figure 2	Niblack General Site Map .....	3
Figure 3	Niblack Mining Claim Map .....	4
Figure 4	Active Water Quality Sample Sites (circled) .....	5

### LIST OF APPENDICES

#### APPENDIX A -WATER QUALITY MONITORING DATA

## **1.0 INTRODUCTION**

This annual report is being submitted to the Alaska Department of Natural Resources in fulfillment of reporting requirements stipulated in Reclamation Plan Approval J20182711RPA which states that the annual report shall summarize activities conducted during the previous calendar year and include fourth-quarter monitoring data. Site activities were quite limited in 2021 as described in this report.

### **1.1 Project Overview**

The Niblack Project, is owned by Black Wolf Copper and Gold Ltd. (BWCG) And operated through its Alaska subsidiary Niblack Project LLC. BWCG the new name for Heatherdale Resources which came under new management in 2020. No surface exploration activities were conducted on the site in 2021. As such, this report is very similar to the 2020 annual report.

### **1.2 Location, Access, and Property Description**

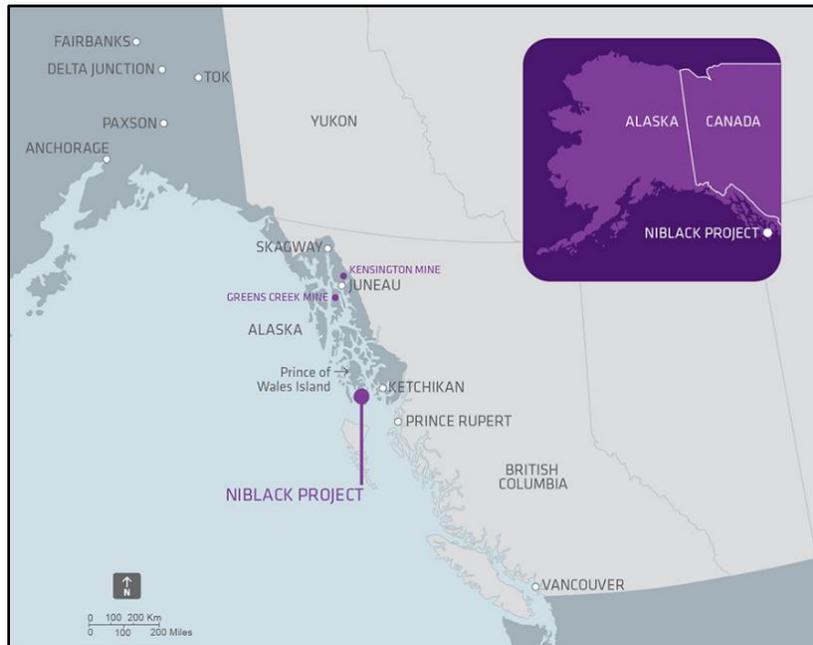
The Niblack site is located on tidewater on Prince of Wales Island approximately 28 miles west-southwest from Ketchikan Alaska as illustrated in Figure 1. The site consists of a limited network of roads connecting tidewater to site facilities including the historic Niblack Mine, core storage area, active settling ponds, fuel storage tanks, and the active portal as illustrated in Figure 2.

Niblack controls the mineral rights on the property through patented and unpatented mining claims including 7 patented claims, 298 Federal Lode claims (Tongass National Forest) and 7 State of Alaska Tideland claims as illustrated in Figure 3.

Access to the site is possible by float plan and boat. Fuel and heavy freight are transported by barge; people and light supplies are generally transported by float plane from Ketchikan.

Project personnel are based on a stationary tidewater barge authorized under ADNR tidewater lease ADL 109131 (pending).

On shore there is a road connecting the barge landing to site facilities that include the portal, settling ponds, waste rock storage/disposal areas, core logging area, mine water discharge field and support buildings. There are also some derelict cabins on site from historic exploration efforts. The site is powered by generators stationed strategically around the site and on the barge. Bulk fuel is stored on the barge and in a 20,000 tank upslope from the barge landing. In 2021 BWCG constructed a 60-person soft camp on existing disturbed ground but has not yet completed construction/commissioning of the camp at time of this writing. BWCG is also in the process of replacing the 20,000 gallon diesel storage tank with smaller tanks.



**Figure 1 Niblack Project Location Map**

## **2.0 DESCRIPTION OF 2021 OPERATIONS**

The site was on care & maintenance status for most of 2021. During this time, the site was generally not staffed. A company representative did make routine trips to site for inspections (fuel storage, storm water controls, settling pond operations, etc.) A limited 4-hole underground drilling campaign was conducted in April 2021. Besides the u/g drilling program up to 15 staff and contractors were on site to perform maintenance, underground rehabilitation, camp construction and water quality sampling as described in the following sections.

### **2.1 Surface Operations**

#### **2.1.1 EXPLORATION DRILLING**

Niblack did not perform any surface exploration in 2021.

#### **2.1.2 WATER QUALITY MONITORING**

Under Waste Management Permit 2013DB0001 BWCG is required to perform quarterly water quality sampling of select sites as shown on Figure 4. These include surface water quality sites and shallow groundwater sites. The analytical results were provided to ADEC in the Annual Waste Management Report for Permit 2013DB0001 in April 2022 and those data are available to ADNR by request.



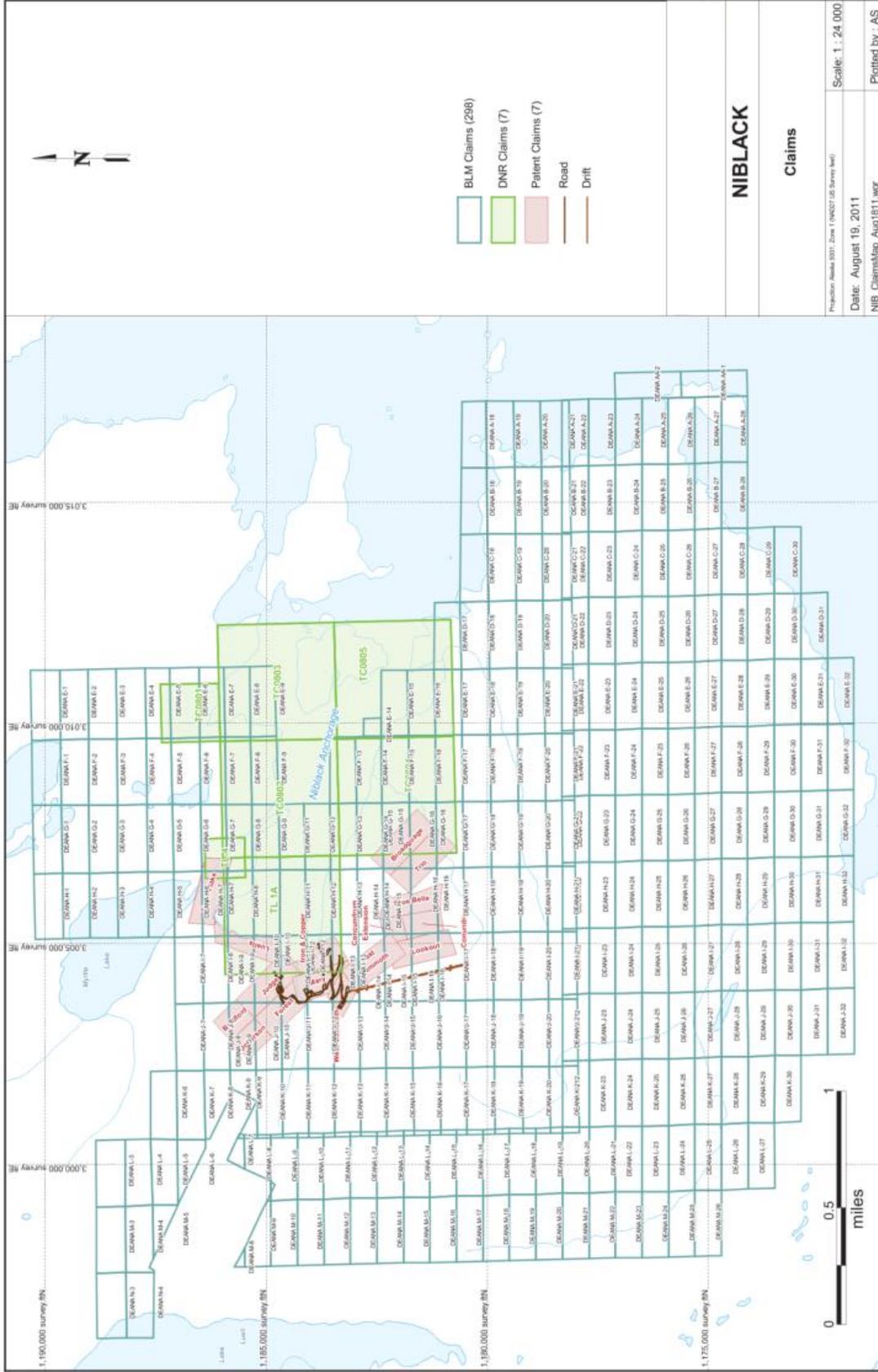
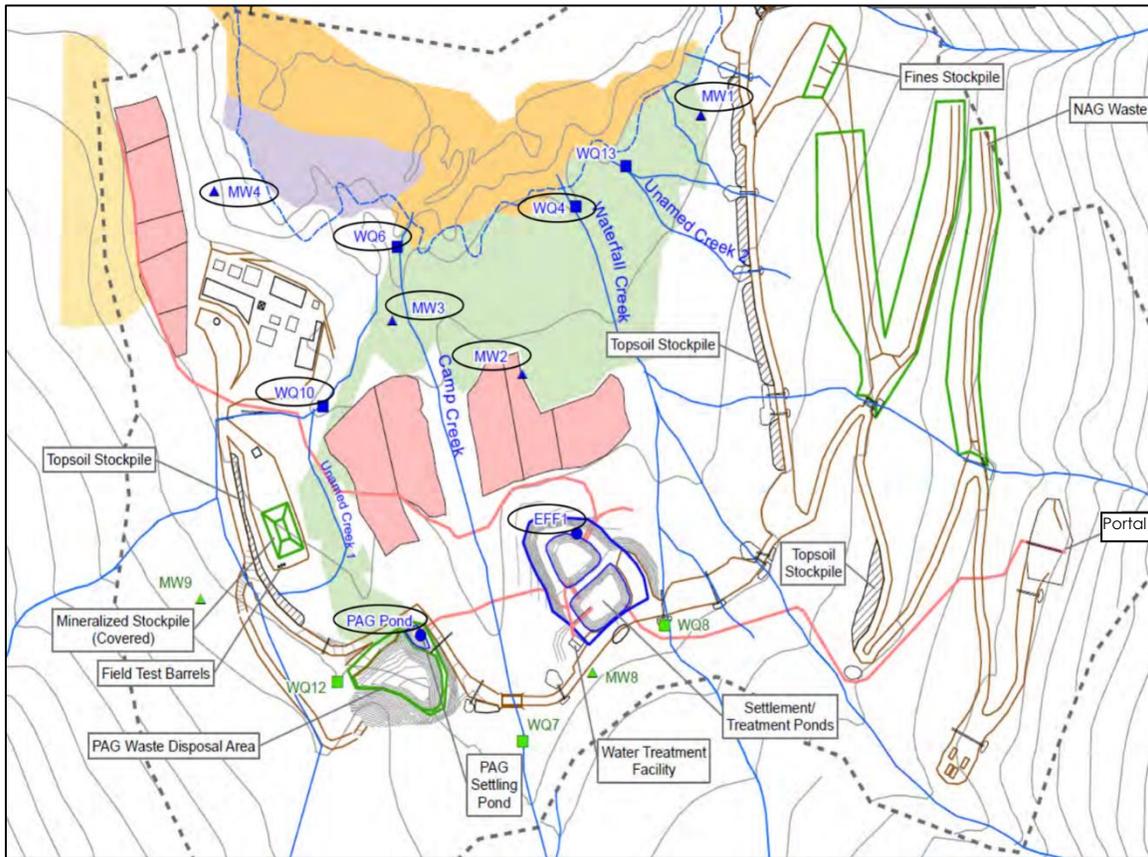


Figure 3 Niblack Mining Claim Map



**Figure 4 Active Water Quality Sample Sites (circled)**

## 2.2 Underground Operations

In 2021, Niblack mining contractors performed rehabilitation of the underground drift. This included “scaling” loose rocks from the drift walls and ceiling, reestablishing ventilation, thorough inspection of underground utilities including water, compressed air and electrical. There was no blasting (surface or underground) in 2021. The permits for the site contemplate up to 6,000 feet of u/g development but presently the total development is approximately 3,600 linear feet. As a result, no permit modifications are required before initiating additional u/g development. In April 2021 BWCG completed four exploration core holes using the underground ramp as a platform.

## **2.3 Water Management Operations**

### **2.3.1 Storm Water Management**

Niblack manages storm water in compliance with Multi-Sector Storm Water General Permit AKR060000. Among other requirements the permit requires routine inspections of storm water best management practices on site to assure proper management of stormwater. Niblack performed routine inspections whenever the site was staffed and less frequent inspections when the site was not staffed in 2021. Niblack also performed a comprehensive annual inspection in December 2021.

### **2.3.2 Mine Water Management**

The existing drift produces approximately 40 gallons per minute of seepage water. That accumulates in sumps before being conveyed to the surface settling ponds before being discharged through a system of drip emitters on surface and discharged to the ground. The entire mine water management system, including the discharge to the land are approved under Waste Management Permit (2013DB0001 – currently extended administratively). The project is also authorized to discharge this water to a marine outfall under their APDES permit (AK0053708) but the marine outfall infrastructure has not been constructed.

### **2.3.3 Authorized Water Use**

Water is used at site for drilling and for domestic needs on the barge. This water withdrawal and use is authorized under TWUA F2020-088 which expires on December 31, 2021. In December 2021, Niblack applied for 10 water take-out points via two TWUA permits. Those permits were issued on February 22, 2021, as TWUA F2022-001 and F2022-002 with terms of 5 years.

## **2.4 Waste Rock Management Operations**

No additional waste rock was generated in 2021. Waste rock, including potentially acid generating waste rock, continues to be managed in accordance with Waste Management Permit 2013DB0001.

## **3.0 RECLAMATION**

### **3.1 Drill Sites**

No formal drill pads were constructed on any surface drill sites in 2021. All previous drill site disturbance has been reclaimed.

### **3.2 Reclamation Financial Assurance**

Niblack previously calculated an estimated reclamation cost for the site and posted a surety bond no. 1084283 in the amount of \$1,409,959. There were no changes at site in 2021 that would affect the estimated reclamation cost for the site.

# **APPENDIX A WATER QUALITY MONITORING DATA**

Electronic Data Available by Request