INERT WASTE DISPOSAL OPERATIONS PLAN ROCK CREEK MINE PROJECT ALASKA GOLD COMPANY

Nome, Alaska

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Prepared for:

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1.0 PROJECT DESCRIPTION

The Rock Creek Mine Project (Project) is located on the Seward Peninsula along the west coast of Alaska, There are two project components: the Rock Creek Mine/Mill Complex located about 6 miles (10 kilometers) north of Nome in the Snake River watershed, and the Big Hurrah Mine located about 42 miles (68 kilometers) east of Nome in the Solomon River watershed.

The Rock Creek Mine/Mill Complex will consist of an open pit gold mine, two non-acid generating development rock stockpiles, a gold recovery plant, and a paste tailings storage facility. The Rock Creek site layout is presented in Figure 1. Ore milling rates will be about 2.5 million tonnes per year (6,850 tonnes per day), while development rock stripping volumes will be in the range of 4 to 5 million tonnes per year (11,000 to 13,700 tonnes per day). The process plant site area will include: a three stage crushing and screening plant, a crushed ore stockpile, a mill facility, a maintenance shop, an administration and mine dry building, warehouse, explosive storage and fuel storage.

The Big Hurrah Mine facilities will include: an open pit gold mine, a non-acid generating development rock stockpile, a temporary potentially acid generating development rock stockpile to be backfilled into the pit, a run-of mine ore stockpile, a truck maintenance shop, a small administration and mine dry building, explosive storage and diesel fuel storage. The Big Hurrah site layout is presented in Figures 2.1 and 2.2. The ore mining rate will be about 550,000 tonnes per year (1,500 tonnes per day) and the stripping rate will be 1.8 million tonnes per year (5,000 tonnes per day). Ore will be stockpiled and delivered to the Rock Creek Mill at an average rate of about 365,000 tonnes per year (1000 tonnes per day).

2.0 SITE LOCATION SELECTION

There will be a development rock landfill located at The Rock Creek Mine/Mill Complex and one located at the Big Hurrah Mine. The Rock Creek Mine/Mill Complex landfill will be located in the development rock stockpiles located to the north of the Rock Creek Pit. The Big Hurrah landfill will be located in the development rock stockpile located to the east of the Big Hurrah Pit.

Both of these sites will be located to meet the following guidelines:

- Four feet above seasonal high groundwater level,
- 100 feet from any surface water body,
- 10,000 feet from an airport runway used by Turbo jet aircraft,
- 5,000 feet from the runway of any other airport used for commercial aviation,
- 200 feet from any drinking water source, and
- 50 feet from the property line.

3.0 PHASED DEVELOPMENT PLAN

Trenches for the disposal of inert wastes will be excavated within the development rock stockpiles. The trenches will be approximately 100 feet long, 15-20 feet-wide, and 15 feet deep. The development rock stockpiles will be constructed in 15 foot lifts at a 3:1 slope to ensure stability. As the lifts are constructed, the waste disposal trenches will be covered and new trenches will be excavated at the new surface for continued waste disposal.

4.0 DAILY WASTE PLACEMENT PLAN

Wastes will be placed within the disposal trenches on an as needed basis. Materials will be transported to the site by pick-up truck, or other conventional method, and deposited within the trench. The depth of the trench will provide natural boundaries for containing the wastes.

5.0 OVERTOPPING PREVENTION PLAN

The development rock stockpiles will be composed of blasted material that will provide a permeable substrate. The development rock will drain readily with negligible risk of pooling or overtopping.

Weekly visual inspections at the Rock Creek Mine/Mill Complex Development Rock Landfill will occur starting with break up in the spring, and being discontinued when freezing conditions prevail in the fall, for as long as the landfill trenches are in operation. The Big Hurrah Development Rock Landfill will be operated for only a few months out of the year. Similar inspections will occur at the Big Hurrah site between break-up in the spring and freezing conditions in the fall, if the landfill is in operation during those times.

Water levels in the disposal trenches will be observed and recorded during the weekly inspections. If water in the trenches is within two feet of overtopping, the water will be pumped into a tank, tested, treated if necessary, and injected into the groundwater in accordance with the conditions contained in the Alaska Department of Environmental Conservation Waste Management Permit for the injection well system..

When operations cease for the year at the Big Hurrah site, the landfill trench will be filled to the surrounding grade and contoured to prevent pooling of any water at the site.

6.0 WASTE ACCEPTANCE

A list of allowable and prohibited wastes is presented below.

6.1 INERT WASTES PERMITTED IN THE DEVELOPMENT ROCK STOCKPILE LANDFILL

Only wastes generated by Alaska Gold Company at the Rock Creek Mine/Mine Complex and the Big Hurrah Mine may be disposed of in the Development Rock Stockpile Landfills. These wastes may include:

- Burn Ash,
- Smart-ash burner ash/residue,

- Wood/wood pallets,
- Non-terne plated used oil filters that have been gravity hot drained.,
- Paper and cardboard,
- Scrap metal,
- Aerosol cans (punctured and drained),
- Alkaline batteries,
- Construction/demolition debris,
 - plastic or synthetics (washed if they were in contact with concentrates),
 - rubber and rubber coated products,
 - conduit or insulated electrical wire,
 - siding pieces unsuitable for recycling,
 - used windows (washed if there contain ore contamination),
 - other construction wastes
- Tires,
- Drums (empty, washed, and crushed),
- White Goods (CFCs and doors removed from refrigerators/freezers), and
- Scrap vehicles or automobiles (drained of fluids, batteries removed).

6.2 PROHIBITED WASTES IN THE DEVELOPMENT ROCK LANDFILL INCLUDE:

- Oily waste,
- Batteries (except alkaline),
- Liquids,
- Paints (unless dried),
- Chemical waste,
- Animal carcasses,
- Used oil,
- Hazardous waste,
- Grease,
- Sludge,
- Contaminated soil, unless approved by the Alaska Department of Environmental Conservation in writing,
- Asbestos,

- Un-combusted household/food wastes, and
- Concentrate-contaminated materials.

6.3 DEVELOPMENT ROCK LANDFILL OPERATION RESTRICTIONS

Paper and other wastes that can be easily wind-blown will be managed such that they are contained within the landfill and are not susceptible to being carried out of the landfill by wind.

The burn pit will be maintained at least 100 feet from the working face of the landfill and burning will be conducted in a burn box, burn cage, or designated, bermed-off area. Items that generate black smoke at greater than 20% opacity, such as tires, will be prohibited from burning in the burn pit.

A sign will be placed in a visible location near the landfill stating.

- Disposal of Alaska Gold Company Waste Generated at Rock Creek Mine/Mill Complex and/or Big Hurrah Mine Only
- No Hazardous Wastes
- No Liquid Wastes
- No Food or Animal Wastes

7.0 ACCESS CONTROL PLAN

The Rock Creek Mine/Mill Complex Development Rock Landfill will be located within the Rock Creek Mine Project footprint. The mine will be operational 24 hours a day, 7 days a week, on a year-round basis. Entry into the mine road system will be restricted by a locked and/or guarded gate. Public access into the mine site will be prohibited. No salvage or target practice activity will be allowed.

The Big Hurrah Development Rock Landfill will be located within the Big Hurrah mine footprint. The Big Hurrah mine is at a remote location where there is minimal opportunity for public trespass. This is especially true during the winter months. The mine will be operated 24 hours a day, 7 days a week, on a seasonal basis. The landfill will be open only during active operations. This will ensure that personnel are on site to prevent any public trespass onto the property. Public access into the mine site is prohibited. No salvage or target practice activity will be allowed.

8.0 CONTROL OF ANIMALS PLAN

The Development Rock Landfill will be an inert landfill and will not attract animal life.

9.0 OPERATOR TRAINING AND SAFETY PLAN

9.1 TRAINING

• All mine site personnel, including landfill operators and landfill staff, are required by law

to receive 24 hours of Mine Safety and Health Administration training when newly hired, and also to receive periodic refresher classes. The training includes the following:

- An introduction to the work environment, including a visit and tour of the mine,
- Instruction on the recognition and avoidance of electrical hazards and other hazards at the mine, such as traffic patterns and control, mobile equipment, and loose or unstable ground,
- A review of the emergency medical procedures, escape and emergency evacuation plans, in effect at the mine, and instruction on the fire warning signals and firefighting procedures,
- Instruction on the health and safety aspects of the tasks to be assigned, including the safe work procedures of such tasks, and the mandatory health and safety standards pertinent to such tasks,
- Instruction on the statutory rights of miners and their representatives under the Act,
- A review and description of the line of authority of supervisors and miners' representatives and their responsibilities,
- An introduction to the site rules and procedures for reporting hazards,
- A review of first aid methods, and
- The remaining balance of the required 24 hours of training will be dedicated to the Alaska Gold Training Plan. While the Plan is currently under development, it is established that it will contain a review of the Waste Management Plan Rock Creek Mine/Mill Complex and Big Hurrah Mine, and the Landfill Operations Plan Rock Creek Mine/Mill Complex and Big Hurrah Mine.

Figures