



PUBLIC NOTICE

Alaska Department of Environmental Conservation (DEC)
Wastewater Discharge Authorization Program/401 Certification
555 Cordova Street, Anchorage AK 99501-2617
Phone: 907-269-6285 | Email: DEC-401Cert@alaska.gov

Notice of Application for State Water Quality Certification

Public Notice (PN) Date: June 25, 2021
PN Expiration Date: July 25, 2021

PN Reference Number: POA-2017-00179
Waterway: Smallwood Creek

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act (CWA) of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the CWA, the Alaska Water Quality Standards, and other applicable State laws.

Notice is hereby given that a request for a CWA §401 Water Quality Certification of a Department of the Army Permit application, Corps of Engineers' Reference Number POA-2017-00179, Smallwood Creek, has been received for the discharge of dredged and/or fill materials into waters of the United States (WOUS), including wetlands, as described below and shown on the enclosed project figures/drawings. The public notice and related project figures/drawings are also accessible from the DEC website at <http://dec.alaska.gov/water/wastewater/>.

Any person desiring to comment on the project with respect to water quality, may submit comments electronically via the DEC public notice site (**preferred method**) at <https://water.alaskadec.commentinput.com/?id=dm5VA>

Alternatively, you may direct written comments or requests for public hearing via email or mail to the address listed above by the Public Notice expiration date. All comments submitted via mail or email should include the PN reference number listed above in the subject heading. Mailed comments must be postmarked on or before the expiration date of the public notice.

Applicant: Big Sky Exploration, Cary Williams, Owner, 2283 Elliott Highway, Fairbanks, Alaska 99712, (229) 425-3754, cwjconcrete@gmail.com; Agent: Big Sky Exploration, Larry Carr, 8713 W. Obrien Creek Drive, Wasilla, Alaska 99654, (406) 561-9387, lcarr@roughstockmining.com

Project Name: Smallwood Creek Placer Mining

Location: The proposed activity is located within Section 9, T. 1 N., R. 2 E., Fairbanks Meridian; Latitude 64.931700° N., Longitude -147.350300° W.; in Fairbanks, Alaska.

Purpose: The applicant's stated purpose is to conduct placer mining activities to extract gold deposits along Smallwood Creek.

Project Description: The applicant proposed to conduct placer mining activities along Smallwood Creek throughout the 2022-2026 seasons. The expected overburden removal per year would be up to 2,300,000 cubic yards of non-pay gravel and organic top layer. The resulting overburden and organics stockpile would be used for reclamation efforts from the previous seasons mining. A portion of the overburden gravels would be used in road maintenance. The placer mining activities are expected to impact approximately 244 acres of WOUS, including wetlands over the course of the mine life.

Mining for each season is broken up into areas of interest by years. Each season's pit will be mined in a sequence of three cuts beginning at the southernmost border of the pit area. To initiate production, the pay gravels from the first cut (cut 1) will be spread over the next two cuts (cuts 2-3). Cut 1 would then be converted to a settling/recycling pond. Tailing will be stacked within the pond and along the pit walls. Process water would be gained from seepage within the pit and recycled at 100% to the wash plant.

The project also includes constructing a drain and relocating Smallwood Creek. A drain would be constructed between the stream and the future mine pit to keep the mine pit dry enough to permit heavy equipment to work on the pit floor. The drain is estimated to be 15 feet deep with the bottom with 5 feet and the upper width 30 feet.

The new stream path would be created over the course of reclamation efforts from the earlier seasons. As the pits are reclaimed, the new streambed/pond system will be created. The stream diversion will consist of moving an 8,100 foot long a 6 foot wide section of the creek to the east and creating a new stream that is 8,825 feet long and 6 feet wide with the addition of a reclaimed pond section. The diversion would be constructed to accommodate high water seasons including break up without bank erosion. Gravel overburden would be used to reconstruct the stream channel and cap ponds.

Reclamation would occur as mining progresses by sloping the tailing to backfill along the pit walls and to spread reserved organic material over the top to promote natural revegetation. The pit would be allowed to flood with surface and groundwater to create a series of ponds with banks sloped 5:1. The overburden stockpile would be contoured to blend with the surroundings and graded over with organic material to promote revegetation. Small depressions would be created on the reclaimed surface in appropriate location to capture slope wash to prevent gullying and to retain organic material.

After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the CWA, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

The permit application and associated documents are available for review. For inquires or to request copies of the documents, contact dec-401cert@alaska.gov, or call 907-269-6285.

Disability Reasonable Accommodation Notice

The State of Alaska, Department of Environmental Conservation complies with Title II of the Americans with Disabilities Act (ADA) of 1990. If you are a person with a disability who may need special accommodation in order to participate in this public process, please contact ADA Coordinator Brian Blessington at 907-269-6272 or TDD Relay Service 1-800-770-8973/TTY or dial 711 within 5 days of the expiration date of this public notice to ensure that any necessary accommodations can be provided.

Big Sky Resources

APMA

Smallwood Creek Gold Mine Narrative, 2021

Mining Permit Narrative

Fairbanks Mining District, Alaska

Fairbanks (D1)...N64.9426,W147.3497

4/26/2021

Introduction

Big Sky Resources LLC., proposes to conduct placer mining activities on the following claims, as detailed in the provided claims maps, throughout the 2022-2026 seasons. USMS 1930, USMS 1612, USMS 1931 and USMS 1613. Access will be via the Gilmore Trail (RST 144) and has been established for the 2021 mining season in conjunction with our current permit. Included in this work will be continuing road maintenance, significant mitigation works for wetlands care and continued efforts to work with other local entities to maintain a solid working relationship. Mining for each season is broken up into areas of interest by year in detail maps 1 and 2. These represent areas of focus for the seasons and do not represent the exact mining path to be excavated. Mining path over the course of the plan will be dictated by future drilling and exploration efforts that will be done simultaneously in front of the mining, including geophysics exploration and an RC drilling program detailed in the attached drill plan as well as visual indicators throughout the mining season.

Surface Conditions and Geology

The project site is located on upper Smallwood Creek, downstream from earlier open-cut placer operations by Monzulla (1992 to 1997), Thurman Oil and Mining, Inc (1998 to 2002), and Fairbanks Excavation (2010 to 2015). Remnants of gold-rush era prospect shafts and drift mines are common. The upper portion of the property has been drilled and the economic portion of the gold-bearing gravels in that area have been identified. The surface is primarily sloped and forested with spruce, birch, and poplar. Along the banks of Smallwood Creek, shrubs such as willow and alder are sporadic to thick. A large portion of the proposed sites of development are within areas of potentially impacted wetlands and are shown in figures to follow. Mitigation to disturbing these wetlands will be outlined further in the document and with attached figures.

Drill logs of the property and mining operations upstream indicate that the mine sections are composed of 12-30 feet of frozen organic silt (with virtually no ice lenses or wedges) overlying from 35 to 50 feet of thawed coarse gravel. The upper 10-15 feet of gravel is relatively barren of placer gold and is regarded as gravel overburden. The pay gravel is coarse and oxidized. Bedrock is dominantly, weathered slate and schist.

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Access, Staging Area, and Fuel Storage

Access is by way of Gilmore Trail (RST 144) along the ridge between Nugget Creek and Rex Creek to the Smallwood valley floor, then by way of the old road going up the west limit of the valley floor. A number of old roads are still locatable traversing up and down the valley. Access map is detailed in image 4.

An existing cabin located on the patented ground in the center of the claims will act as our office. No camp will be needed. Fuel will be transported to site via 5000 gallon pup tankers pulled to site via tractor so as not to require on site fuel storage. These bulk tanks will be outfitted with spill kits and procedures developed to mitigate spill hazards.

Drain Construction

Previous experience with mining upstream on Smallwood Creek proves that a drain is necessary to keep the mine pit dry enough to permit heavy equipment to work on the pit floor. It is proposed to construct a drain between the stream and the future mine pit. A crossing has been approved as part of our existing APMA permit for 2021. This crossing will be built with a large diameter culvert using gravel fill to make a crossing at the location indicated in the attached figures. This culvert will be installed in such a way as to allow travel of small fish that pass up and down the stream. The drain will need to be excavated through the organic silts and into several feet of the underlying gravel. It is estimated the depth of the drain will be 15 feet with the bottom width 5 feet and the upper width of 30 feet. Organic material will be placed on the right-limit of the drain in a stockpile measuring 10 feet wide and up to 10 feet tall. Silt and gravel dredged from the drain will be placed between the pit and the drain. See figures 8 and 9.

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Seasonal Mine Plan

With our current mining capabilities, and our current mining plan to operate at 22 hours a day average throughout a predicted 6-month season, our yearly throughput of ore will be approximately 1,000,000 Cy of gold bearing gravels. With current indicators of overburden depth and considering mining history in the area the expected overburden removal per year will be around 2,300,000 Cy of non-pay gravel and organic top layer. The resulting overburden and organics stockpile will be used for reclamation efforts from the previous seasons mining. Big Sky Resources is fully committed to reclamation efforts in conjunction with their mining effort. To avoid the need for large overburden stockpiles, a significant portion of the overburden from the 2022 season will be used to improve and complete reclamation of the current mining season. In turn, a large portion of the overburden from 2023 will be used to reclaim the 2022 excavation and so on. A portion of the overburden gravels will also be used in road maintenance. Overburden removal for the next seasons mining is planned to be conducted beginning in the fall of the previous season. I.E., For the 2022 season overburden removal would begin in the fall of 2021.

As our drilling and exploration efforts continue, a more detailed plan for the 2023-2026 seasons will be outlined including a potential decrease in the area designed to be mined. In estimation, it is possible that around half of the area designated will be eliminated from the mining plan.

Each seasons mining pit will be mined in a sequence of three cuts beginning at the southernmost border of the pit area with cut 1. To initiate production, the pay gravel from cut 1 will be spread over cuts 2 and 3. Cut 1 will then be converted to a settling/recycle pond. Tailings will be stacked within the pond and along the pit walls. Process water will be gained from seepage within the pit. Pay gravel will be dozed to an excavator, which will feed a portable wash plant at a rate of up to 250 cy/hr. Process water will be recycled 100% to the wash plant at a rate of 3,500 gpm via 10" pump and pipeline. This is planned to be a

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Seasonal Mine Plan Cont.

zero discharge facility, however, it is requested to use this APMA as a NOI for an AKDPES GP to discharge with a turbidity modification.

Stream Relocation

As the valley progresses to the south the course of Smallwood Creek moves to the east across the valley floor. This will necessitate changing the stream course predictively just prior to the 2024 mining season (figure 3). The new stream path will be created over the course of reclamation efforts from the 2021 through 2023 seasons. As the seasons pits are reclaimed throughout the mining process, the new streambed/pond system will be created using the methods detailed in the reclamation narrative to follow. The course of Smallwood Creek would not change until the new course is in place at the beginning of the indicated 2024 season. Changing the course of this stream will allow mining access to higher value areas while maintaining the integrity of the stream in conjunction with creating a lush wildlife habitat detailed in the reclamation plan. Big Sky Exploration will use the BLM Continuity of slope recommendations when designing and building the stream diversion.

The stream diversion plan as outlined in figure #3 will consist of moving a section of Smallwood Creek that as it exists is 8100' long and 6' wide, to the east, as indicated, on the northern end of the claims and creating a new stream that is 8825' in length and 6' in width with the addition of a reclaimed pond section as indicated in figure #6. The diversion will be constructed to accommodate high water seasons including break up without bank erosion. Gravel overburden will be used to reconstruct the stream channel and cap ponds.

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Reclamation Plan

As mining progresses, it is planned to reclaim the mine pit areas by sloping the tailings to backfill along the pit walls and to spread reserved organic material over the top to promote natural revegetation as indicated in figure 6. The pit will be allowed to flood with groundwater and post stream move, Smallwood creek, to create a series of ponds with banks sloped 5:1. Big Sky Exploration will use the BLM Continuity of slope recommendations when designing and building the stream diversion. Previous reclamation performed by Monzulla and Thurman Oil and Mining suggests that native species of plants will re-establish themselves rapidly in a succession of grasses and sedges, willows and Alders, and spruce-poplar-birch. The lacustrine habitat will provide a functional lift to the habitat of the pit area.

The overburden stockpile will be contoured to blend with the surroundings and graded over with organic material to promote revegetation. Small depressions will be created on the reclaimed surface in appropriate locations to capture slope wash to prevent gullyng and to retain organic material.

The drain will be reclaimed by using existing overburden stockpile, and grading over with the reserved organic overburden. The existing road to the overburden stockpile will be reclaimed by taking up material and using to fill the pit. All Disturbed areas will be reclaimed with the native topsoil, and organic reserves.

Total Areas of Interest.

The total size of the claims listed for this 5 year permit request is 676 acres. Of that, according to the USACE Wetlands Mapper (image 5), 487 acres of wetlands are included in the area of mining interest. Past and predictive mining in the area indicates that of that 487 acres roughly half of that acreage lends itself to containing valuable gold asset. That leaves a total of 244 acres of wetlands potentially disturbed over the course of the mine life. Big Sky

Resources recognizes this and is determined to make all valid reclamation efforts to ensure this land is left as close to possible to a natural state at the conclusion of mining efforts.

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Drill Plan (Exploration)

In conjunction with our mining efforts, and to direct our future mining activities, Big Sky Resources is also proposing the following drill program.

Drill lines 1 and 2 indicated on provided image 11 show the location of two drill lines running perpendicular across the valley in a west to east trajectory. Drill line 1 begins at approximately 64.9349N and 147.3528W. Drill line 2 begins at approximately 64.9307 N and 147.352W. Drill lines indicated on map show holes spaced at 50' apart on line 1 for a total of 24 holes, and 50' apart on line 2 for a total of 28 holes. Grand total of 52 holes. Predicted depth of holes is 80-100'.

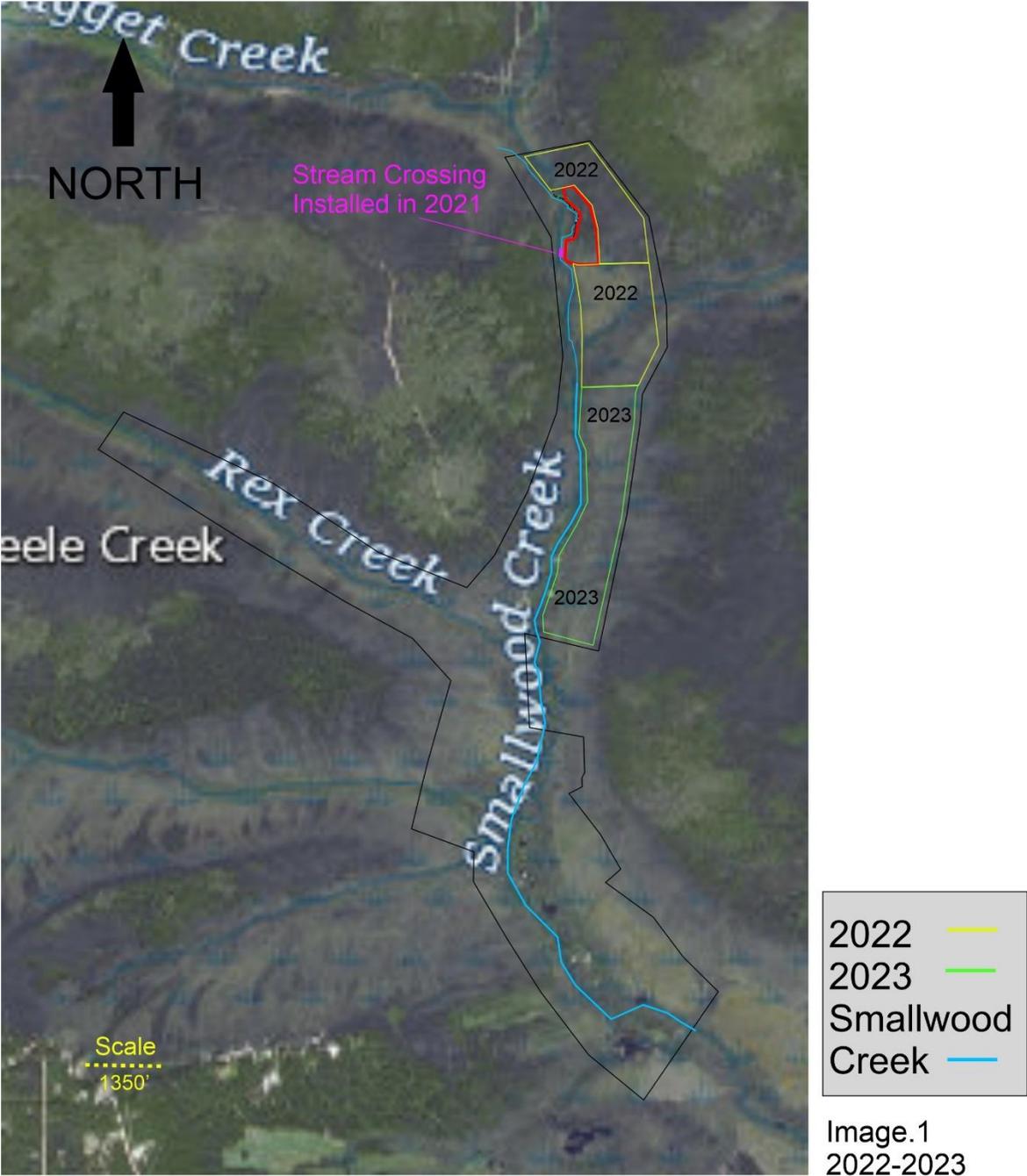
Water for drilling will come from Smallwood Creek supplied by a 3" pump at approximately 60 gpm. Locations of pump for the drill line indicated on supplied map 11.

Reclamation of drill holes will take place with the use of approved eco friendly plugging media and gravels and sites will be reclaimed with native top soils and organic materials.

Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

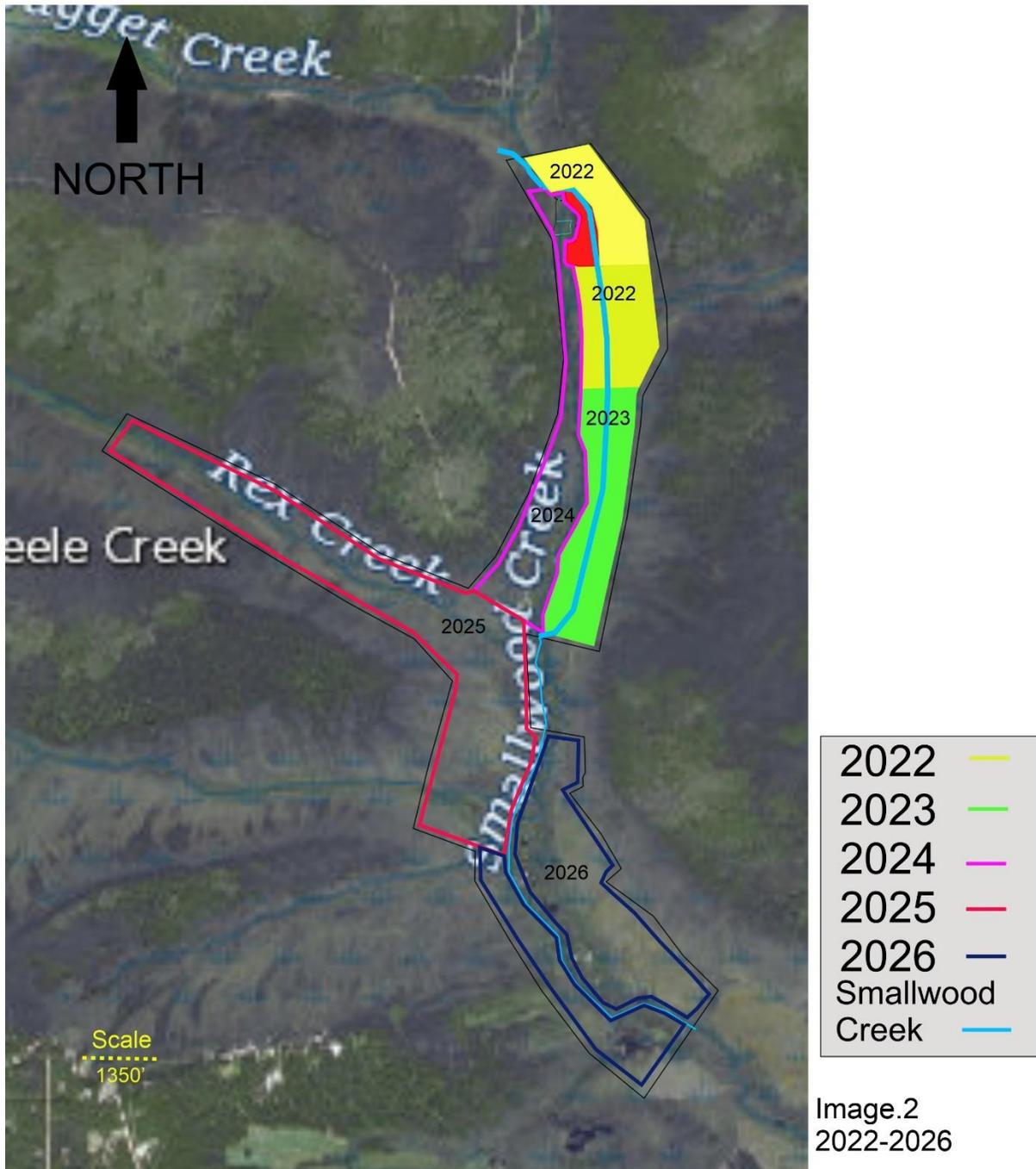
Fairbanks
(D-1)...N64.9426,W147.3497



Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

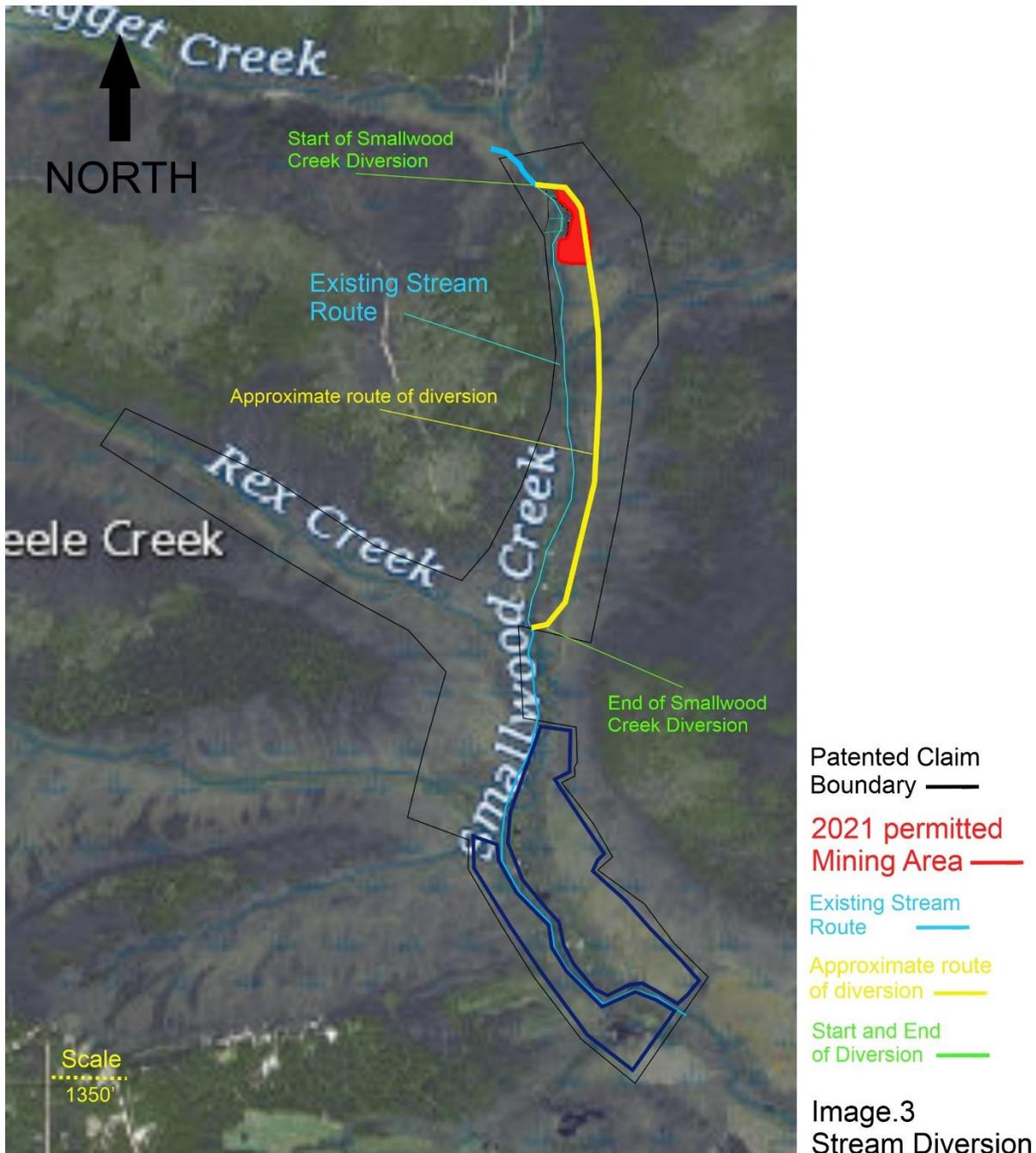
Fairbanks
(D-1)...N64.9426,W147.3497



Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

Fairbanks
(D-1)...N64.9426,W147.3497



Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

Fairbanks
(D-1)...N64.9426,W147.3497

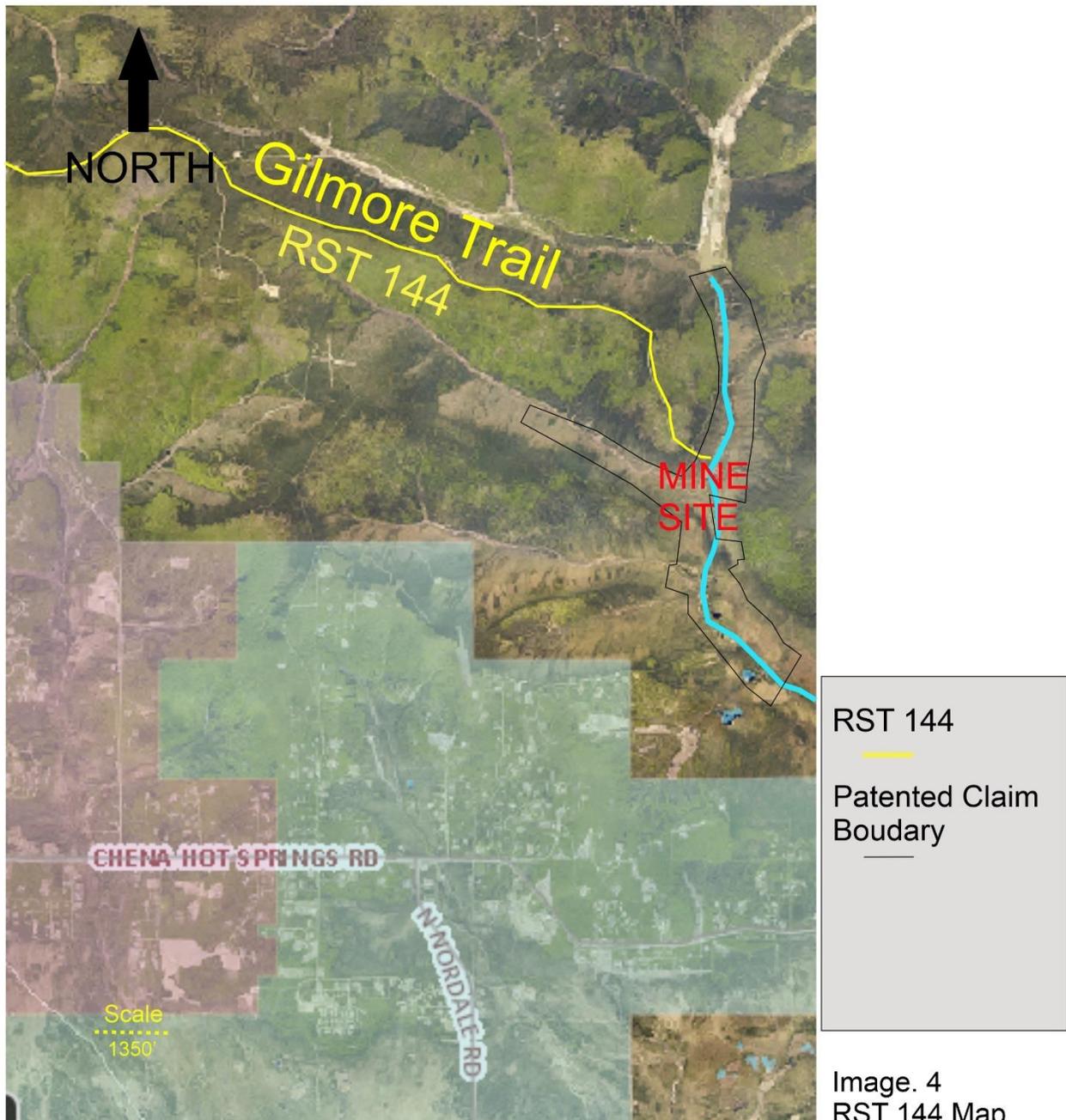


Image. 4
RST 144 Map

Big Sky Resources
Smallwood Creek Placer
Gold Property

Fairbanks
(D-1)...N64.9426,W147.3497

Map Obtained from
DNR Alaska Mapper
Wetlands information
from USACE Wetlands
Mapper

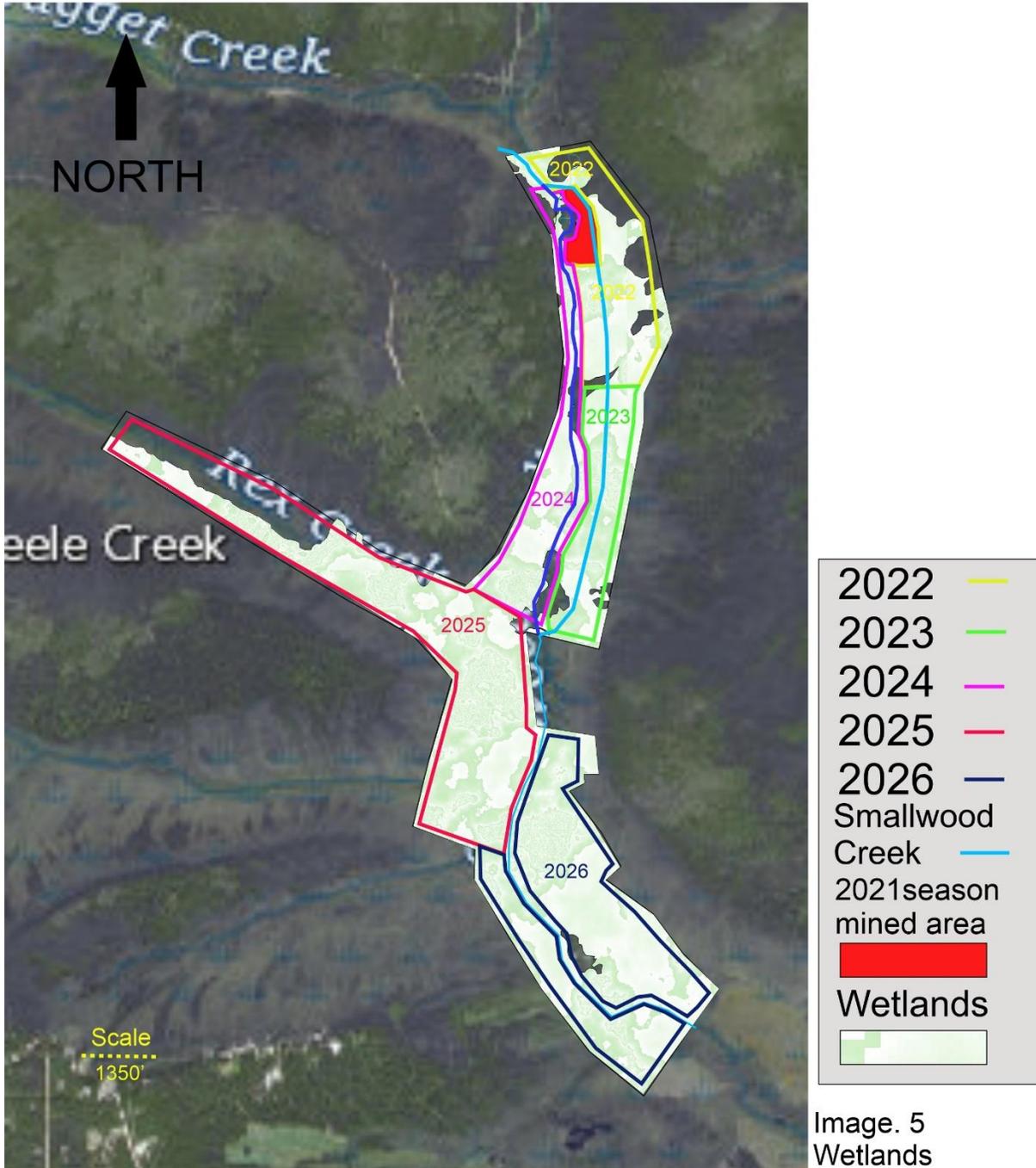
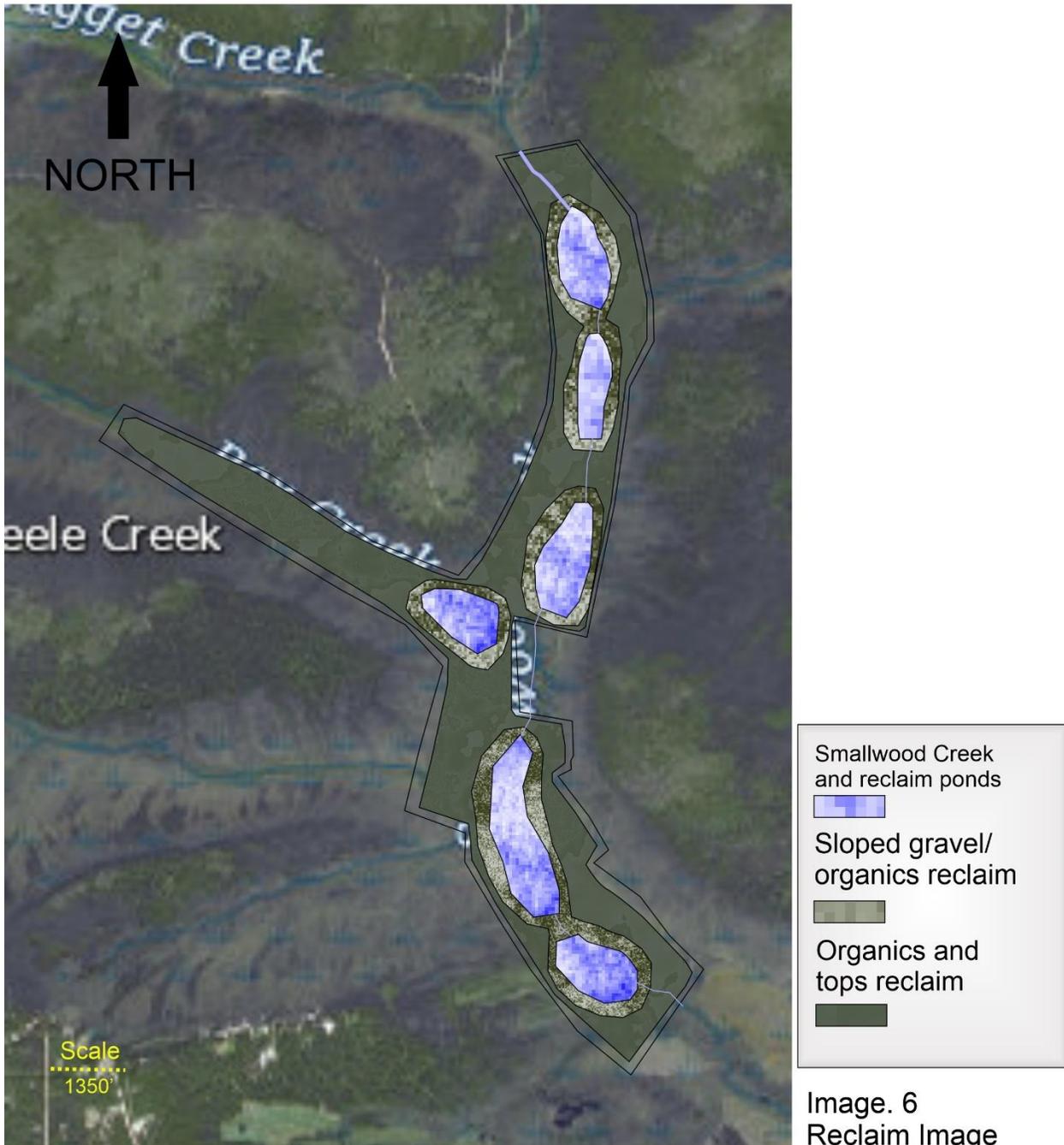


Image. 5
Wetlands

Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

Fairbanks
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Big Sky Resources
Smallwood Creek Placer
Gold Property

Fairbanks
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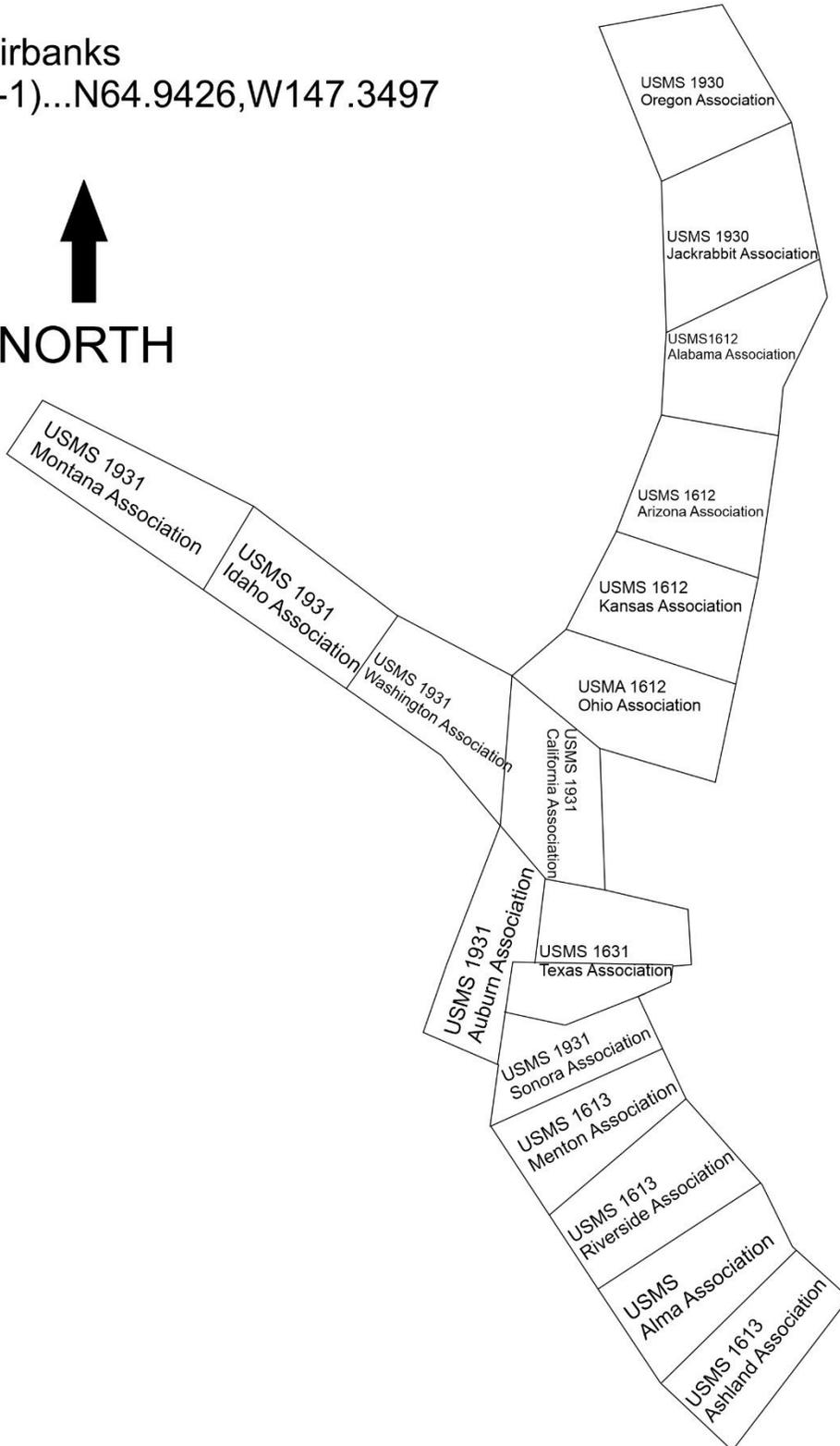


Image.7
Claims

Big Sky Resources
Smallwood Creek Placer
Gold Property

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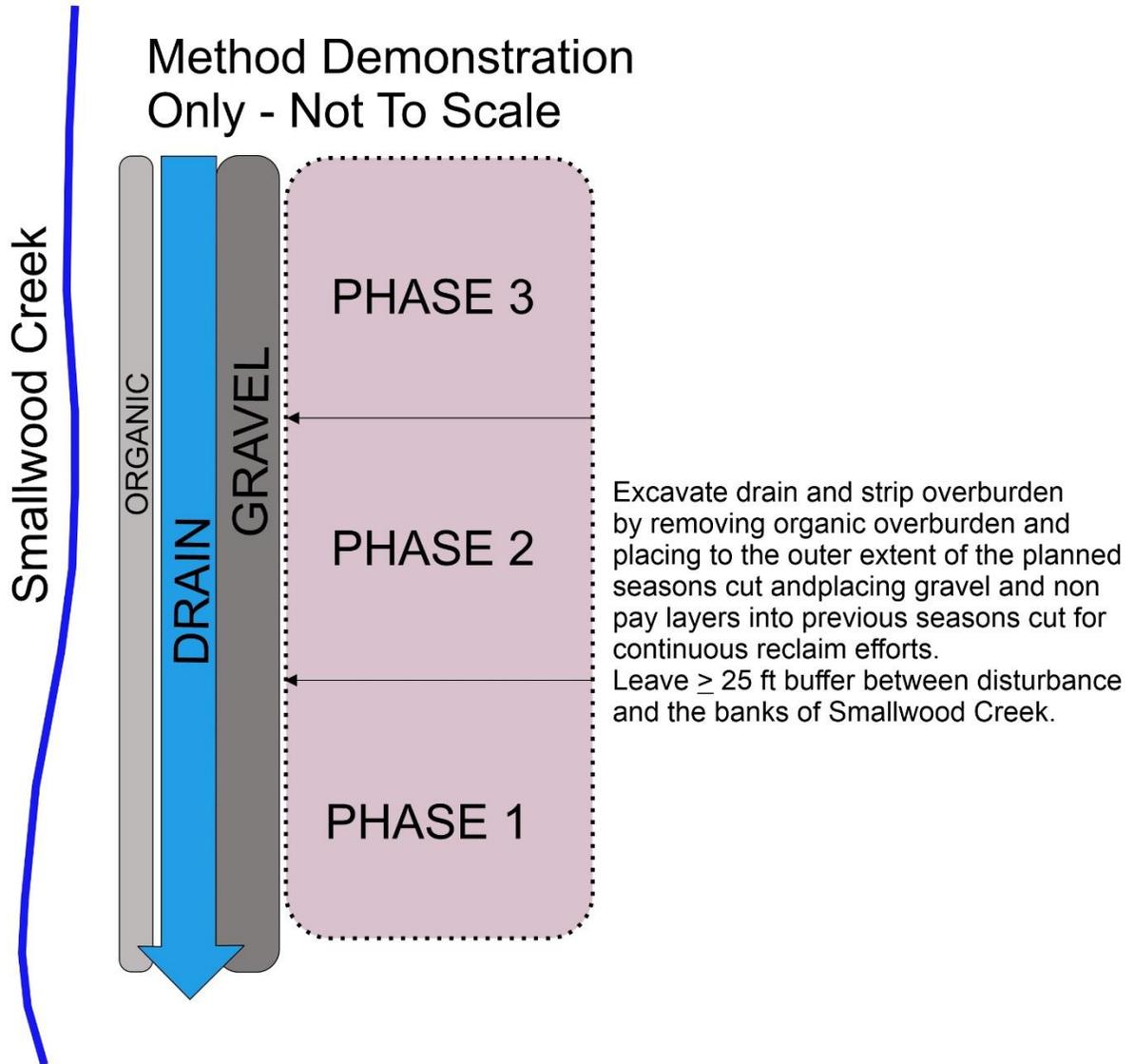
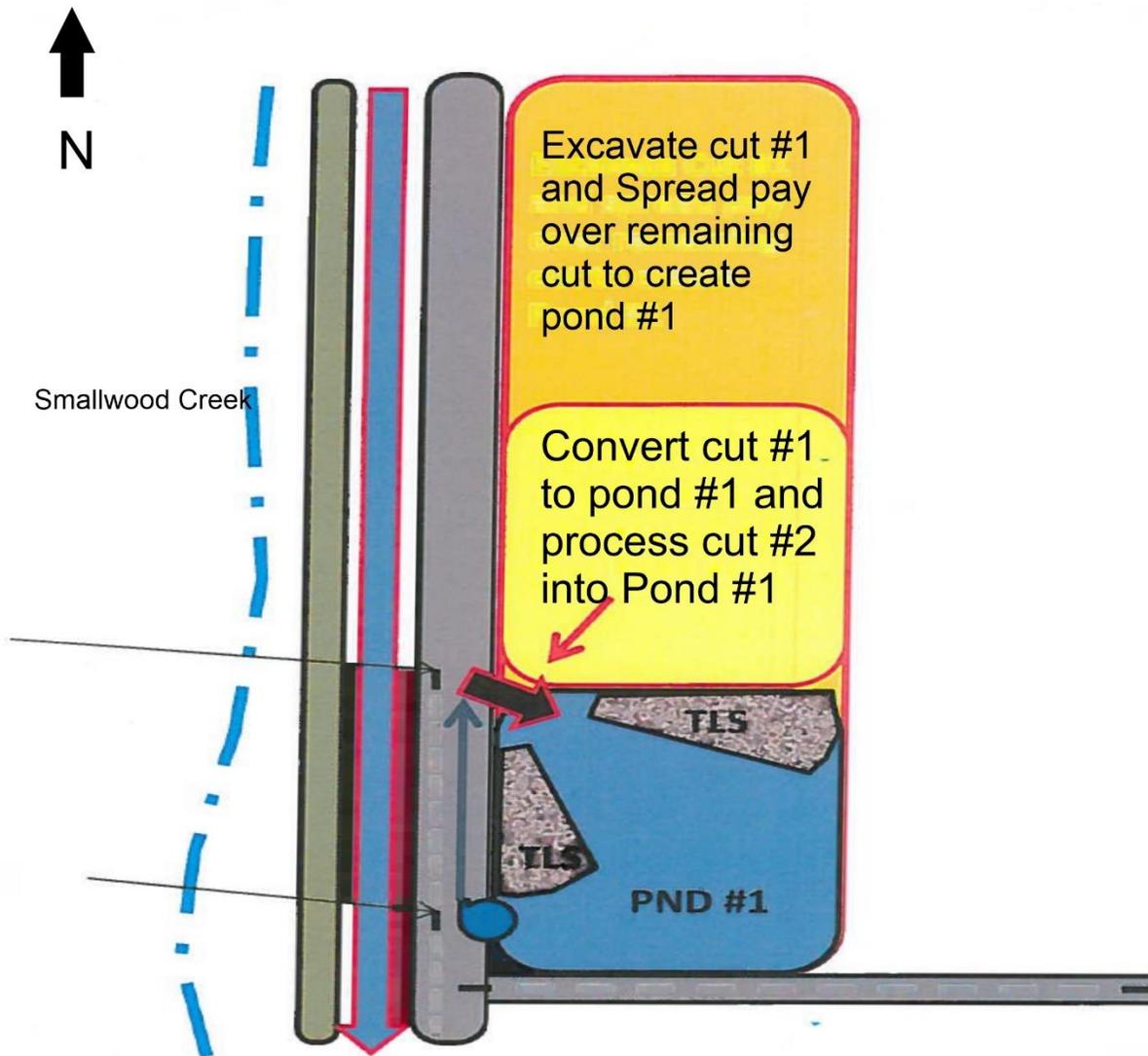


Image.
Method Demonstration

Big Sky Resources
Smallwood Creek Placer
Gold Property

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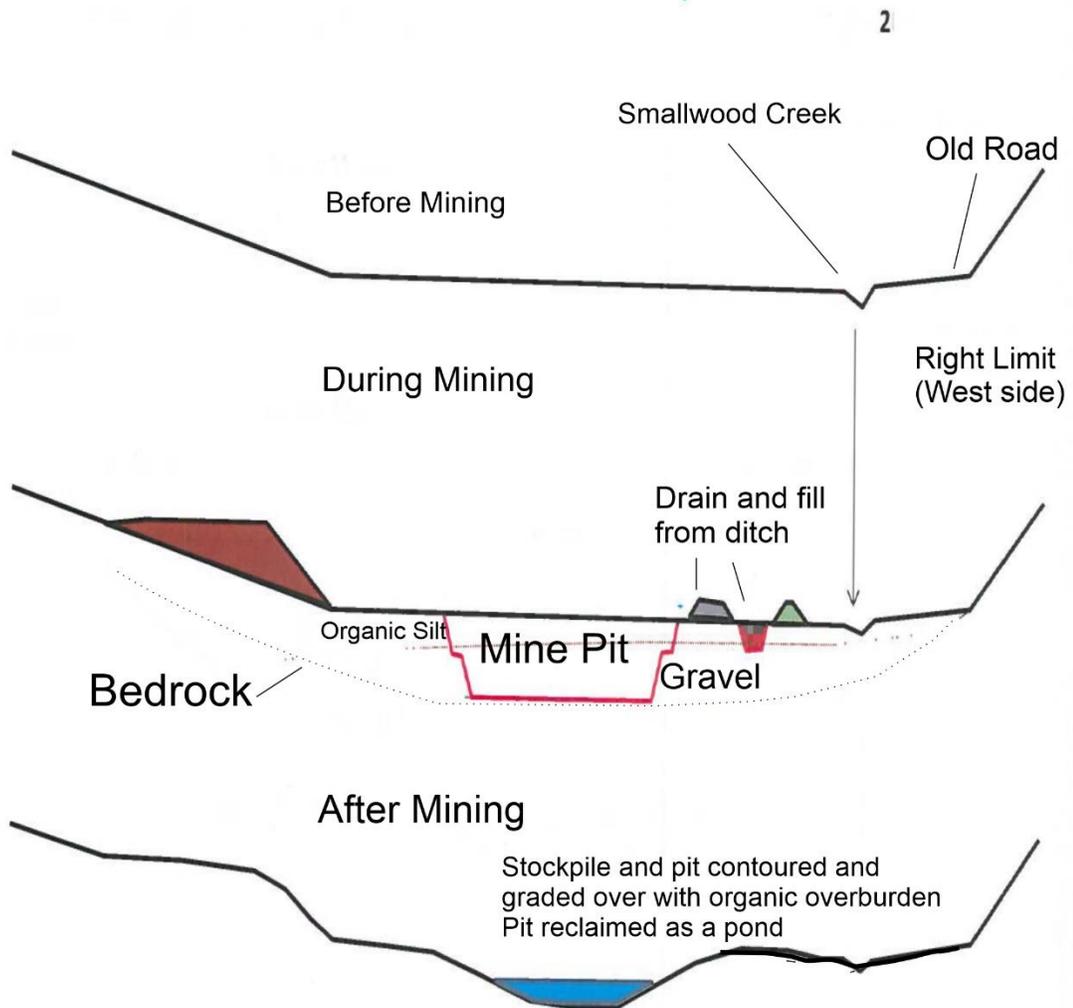


Not To Scale

Image.9
Cross Section

Big Sky Resources
Smallwood Creek Placer
Gold Property

Fairbanks
(D-1)...N64.9426,W147.3497



Not To Scale

Image.10
Cross Section

Big Sky Resources
Smallwood Creek Placer
Gold Property

Map Obtained from
DNR Alaska Mapper

Fairbanks
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