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**SENT VIA EMAIL**

Robert Nowak  
President and Chief Executive Officer  
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Dear Mr. Nowak:

I am writing regarding the suspension of the Application review time limit pursuant to Section 24(2) of the *Environmental Assessment Act* (the Act) for the proposed Ajax Mine Project (Ajax Mine). On May 4, 2016, I granted the request from KGHM Ajax Mining Inc. (KAM) to suspend the 180-day time limit for Application review of the environmental assessment (EA) of Ajax Mine in order to allow KAM additional time to fully respond to issues being raised by multiple stakeholders and to fulfil requirements related to Aboriginal consultation and public consultation.

I understand that KAM has been providing materials progressively over the course of the suspension period to address issues raised during the review of the Application. The Environmental Assessment Office (EAO) has now received the final package of documents from KAM and has completed our review, in consultation with the Working Group and Aboriginal Groups.

I am satisfied that the information KAM provided in response to technical working group, Aboriginal groups, and public comments on the Application meets the requirements set out in my May 4, 2016 letter. As such, I am lifting the suspension effective today, at day 108 of the Application review period. The materials you have provided for the purposes of the assessment have been posted to EAO's electronic project information centre (EPIC).

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I would also like to inform you of the next steps in the EA process and associated timing. As you are aware, the Canadian Environmental Assessment Agency (the Agency) is also conducting an EA under the former *Canadian Environmental Assessment Act*. The Agency and the EAO have a demonstrated record of collaboration on EAs for projects which require both federal and provincial assessments. The Agency and the EAO have been coordinating respective processes on Ajax Mine, including co-chairing a technical working group, participating in joint consultation with Aboriginal groups and coordinating public comment periods. During the suspension period, the Agency and the EAO continued to work closely on the review of information. Going forward, the Agency and the EAO have agreed to seek a greater level of coordination, which will include striving to align our respective timelines and to prepare a joint assessment report to inform separate federal and provincial decisions. This coordinated approach will reduce duplication, ensure both jurisdictions are considering the same information, and provide greater certainty of process.

In addition to developing the joint assessment report with the Agency, the EAO is also developing proposed provincial EA Certificate conditions that the Ministers may attach to a provincial EA Certificate, should one be issued for Ajax Mine.

Prior to referral to provincial Ministers, the EAO and the Agency will conduct a 30-day public comment period on the joint assessment report and any draft provincial EA Certificate conditions. This will provide the public with an opportunity to see how issues raised have been considered, and to comment on the EAO and Agency's conclusions, along with the proposed mitigation measures.

To provide process certainty for the remainder of the EA and to ensure federal-provincial timeline alignment consistent with a coordinated process, I am issuing an order under Section 24(4) of the Act, extending the 180-day Application review period by an additional 110 days. This timing has been determined in consideration of the following key process steps:

- Completion of the coordinated EA, including consultation with the technical working group members and Aboriginal groups on the draft referral materials, including the draft joint assessment report and any draft provincial EA Certificate conditions and the draft Certified Project Description;
- Joint consultation with Aboriginal groups on the draft assessment of potential impacts of Ajax Mine on Aboriginal groups' Aboriginal Interests;
- A 30-day public comment period on the joint assessment report and any draft provincial EA Certificate conditions; and
- The Agency and the EAO will consider the comments received and prepare their respective referral materials for the separate federal and provincial ministers' decisions.



Consistent with the Prescribed Time Limits Regulation, after the EAO refers the Project to Ministers, the provincial Ministers will have 45 days to make their decision of whether to issue an EA Certificate for Ajax Mine.

The timeline for the remainder of the EA, as set out above, will depend in part on KAM's continued efforts to be responsive to addressing issues raised by the Agency or the EAO, as well as the complexity of the comments received on the joint assessment report and draft provincial EA Certificate conditions. With the timeline extension, the provincial Application Review phase is expected to conclude by September 26, 2017. The EAO's Project Assessment Manager for the Ajax Mine, together with the Agency's Project Manager, will provide more specific direction, guidance and timing regarding the remaining process steps and requirements.

If you have any questions related to this letter and the next steps in the review, please contact Tracy James, Project Assessment Manager, by phone at 250 387-0232 or by email at [Tracy.James@gov.bc.ca](mailto:Tracy.James@gov.bc.ca).

With best regards,



Kevin Jardine  
Associate Deputy Minister

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