



File: 30200-20/HCCG-05-06

Reference: 316624

July 13, 2018

SENT VIA EMAIL

Ronald Mathison
Director
Yellowhead Mining Inc.
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Dear Mr. Mathison:

Thank you for your letter of May 9, 2018, in which Yellowhead Mining Inc. (YMI), representing the Harper Creek Mining Corporation (HCMC), requested that the Environmental Assessment Office (EAO) extend the Harper Creek Project (Harper Creek) suspension time limit to April 15, 2019, to allow additional time to complete outstanding work for the Harper Creek Environmental Assessment review (EA). I have considered your request, and am writing to you to advise you of my decision in this regard.

I note two main requests by EAO for specific information areas to which HCMC has not provided sufficient responses:

1. a requirement for a tailings alternatives assessment (TAA), set out in an order under section 13 of the *Environmental Assessment Act* (Act) on March 19, 2015. The three-year time limit for providing this information, pursuant to section 5 of the Prescribed Time Limits Regulation, expired on March 19, 2018; and
2. the additional information and process requirements set out in my letter of June 30, 2015, which suspended the review timeline at day 153 of the 180-day application review period. The suspension was issued under section 24(2) of the Act on June 30, 2015, and expired on June 30, 2018, pursuant to section 6 of the Prescribed Time Limits Regulation.

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Section 24(3) of the Act allows the Executive Director or the Minister to terminate an EA if, after being requested to provide information in an application or at any other time in the EA, the proponent does not provide the information within the prescribed period. A deadline of three years for providing required information is set out under the Act in the Prescribed Time Limits Regulation.

In order to better understand whether further extending the time for completion of this EA would allow for an efficient and rigorous review, the EAO consulted with Indigenous groups and with key Working Group members to gain an understanding of the changes to policy and regulatory standards that may impact the information and process requirements for the EA. The EAO also compared the EA requirements and timelines for other metal mine projects with those set out in YMI's request. Based on this consultation, as well as the EAO's own review of outstanding information requirements, I understand that YMI would need to undertake significant updates to baseline data collected from 2007 to 2014. Substantive revisions to the assessment in key areas such as waste water management, water quality modelling, and resultant project design changes and mitigation strategies, would also be required to meet current regulatory requirements and government policies, including the revised Health, Safety and Reclamation Code for Mines in British Columbia.

I also note that in addition to YMI not meeting the deadlines for providing the above noted information requirements, our recent experience has been that YMI has not responded in a timely manner to requests for information made by the EAO and the Working Group. In particular, I am advised that YMI has not responded to any comments received on the EA since re-engaging on the EA work in May of 2017, including comments from the Ministry of Energy, Mines and Petroleum Resources, received in December 2017 on YMI's preliminary TAA findings.

Having considered the outstanding information requirements and the significant amount of additional baseline and other information that will be required to support the completion of the EA, it is my view that continuing this EA would be neither efficient, nor effective in achieving a rigorous and timely EA.

Therefore, in accordance with my authority under section 24(3) of the Act, I have decided not to grant YMI's extension request and, instead, to terminate the Harper Creek EA.

To be clear, this is in no way a comment on the merits of the Harper Creek project. The EAO is open to meeting to further discuss the rationale for the decision to terminate the EA and to answer any questions pertaining to this decision. I encourage YMI to begin a new EA process and submit to the EAO a new Project Description, which incorporates required updates to reflect current policy and regulatory requirements. The project would then be reviewed in accordance with the provisions of the Act and its associated

regulations, as well as the EAO's current policy and practice. Increased certainty with respect to project timelines and clarity on project design will assist in meeting the EAO's commitment of providing a transparent, fair process.

In the event that YMI decides to initiate a new EA, the EAO would be pleased to work with YMI to set the scope and procedures to find efficiencies in the EA process by, to the extent possible, utilising the significant amount of information and consultation that has occurred to date on Harper Creek.

Should you have any questions, please feel free to contact Tricia Morris, Project Assessment Manager at 778-698-9348 or by email at Tricia.Morris@gov.bc.ca.

With very best regards,



Kevin Jardine
Associate Deputy Minister

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