



File: ENVA-30200-25/MMCG2-21

August 9, 2018

SENT VIA EMAIL

Tim Caldwell
Superintendent, Centerra Environmental
Mt. Milligan Copper-Gold Project
Thompson Creek Metals Company Inc.
177 Victoria Street, Suite 100
Prince George BC V2L 5R8
Tim.Caldwell@centerra.com

Dear Mr. Caldwell

**RE: Condition 1 of Environmental Assessment Certificate #M09-01
Meadows Creek Water Supply Pond**

On May 23 to May 25, 2018, in my role as Director, Compliance and Enforcement, I conducted an inspection (Inspection) of the Mt. Milligan Copper-Gold Project (Project) against the requirements of the Environmental Assessment (EA) Certificate #M09-01 (Certificate). Based on review of information obtained during the Inspection I have determined that the Certificate Holder, Thompson Creek Metals Company Inc. (the Holder), is not compliant with Condition 1 of the Certificate, which requires the Holder to construct and operate the Meadows Creek Water Supply Pond (MCWSP) as identified in the Holder's July 2008, and the amended November 2008, Application for an Environmental Assessment Certificate (Application).

The Application identifies the MCWSP as a key Project component intended to ensure sufficient water availability for mine processes and protect area watercourses from impacts associated with water withdrawals by the Project. It was also identified as a key mitigation to protect water quality and aquatic life from adverse effects associated with sediment transport from Project activities.

...2

I inspected the MCWSP location on foot and by helicopter on May 23 and 24, 2018, and noted that the MCWSP has not been constructed. The Project is currently in its 4th year of operation, and is currently experiencing a deficit of water to support mine operations.

It is my understanding that the Holder has recently had discussions with the Operations Division of the Environmental Assessment Office (EAO) to amend the Certificate to remove MCWSP component and to propose alternate solutions to meet the needs of the Project. I am informed that the Holder is currently in the process of gathering information to inform this future amendment.

Recognizing that the Holder is currently in discussions with the EAO to remove the requirement to build and operate the MCWSP, I hereby issue this warning in preference to making an order under Section 34 of the Environmental Assessment Act (the Act). Should the Holder fail to demonstrate diligence in rectifying this non-compliance by seeking to amend this condition through the EAO amendment process, or should circumstances on the ground demonstrate that the non-compliance is resulting in adverse effects, then additional enforcement action under the Act may result.

EAO Compliance and Enforcement will continue to monitor this issue and may follow-up with further inspections as required. I ask that you provide an update in writing on the Holder's progress in three months, or as otherwise directed from EAO, from the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Justin Carlson', with a stylized, cursive script.

Justin Carlson
Senior Compliance and Enforcement Officer
Environmental Assessment Office

on behalf of

Chris Parks
Director, Compliance and Enforcement Officer
Environmental Assessment Office

cc: EAO Compliance