160 Elgin St., 22nd floor Ottawa ON K1A 0H3

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INSPECTION SUMMARY

Project Name: Kemess Underground Project

Proponent Name: Aurico Metals

Inspection Date: September 14, 2020 to September 17, 2020

Project Description:

Aurico Metals Inc. is proposing the construction and operation of the Kemess Underground Project, an underground gold-copper mine located approximately 250 kilometers north of Smithers and 430 kilometers northwest of Prince George, British Columbia. The Designated Project will have an ore production capacity of approximately 24,650 tonnes per day (105,000 ounces of gold and 44 million pounds of copper per year) using underground block caving methods, over a predicted 13-year mine life.

Link to Decision Statement: https://iaac-aeic.gc.ca/050/evaluations/document/118388

Note: This inspection summary represents the compliance findings at the time of inspection and does not include any follow-up actions or efforts the proponent may have made to return to compliance.

Overview:

The Compliance, Promotion & Enforcement (CP&E) Unit of the Impact Assessment Agency of Canada (IAAC) conducted a site inspection of the Kemess Underground Gold Mine Project between September 14, 2020 and September 17, 2020. The project has been in the construction phase since 2017. The inspection was carried out by Senior Enforcement Officer Steven Fraser and Enforcement Officer Éric Charlebois. The inspection was part of the planned inspections for the project.

Site Inspection Details:

Over the 4-day inspection, multiple areas of the project were inspected. Those areas included the Tailings Storage Facility, and associated diffuser transmission line, Mill Creek, Southern Collection Pond Construction, the Subsidence Zone, Kemess Lake Valley and the Southern Porthole.

Compliance with the following Decision Statement conditions were verified, where applicable.

Condition 2 – General Conditions

Condition 3 - Fish and Fish Habitat

Condition 4 – Migratory Birds

Condition 6 - Current use of lands and resources for traditional purposes

Condition 7 – Physical and cultural heritage and structures, sites, or things of historical, archaeological, paleontological, or architectural significance

Condition 9 - Accidents and malfunctions

The Agency was able to verify that the proponent is in compliance with conditions 4, 6, 7 and 9 of the Decision Statement. During the inspection, the Agency requested additional information from the proponent to verify compliance with conditions 2 and 3 of the Decision Statement. The proponent forwarded the requested information on condition 3 on October 14, 2020. The agency is awaiting information on Condition 2. As of October 15, 2020, no enforcement actions have been taken.

If you have questions or comments relating to the Agency's Compliance, Promotion & Enforcement Unit, or if you have reason to believe that there has been a contravention of the Impact Assessment Act, you may contact us at iaac.compliance-conformite.aeic@canada.ca.



