

30 March 2021

Impact Assessment Agency of Canada Prairie and Northern Region Canada Place Suite 1145, 9700 Jasper Avenue Edmonton, AB TOL 1Y0

Attention: Tara Fulton, Team Lead

Dear Ms. Fulton,

RE: Montem Resources Tent Mountain Mine – Response to IAAC Information Request

Montem Resources Alberta Operations Ltd. ("Montem") is in receipt of correspondence from the Impact Assessment Agency of Canada ("IAAC") dated March 10, 2021 requesting further information about the Tent Mountain Mine Project ("Tent Mountain" or the "Project") in accordance with section 9(3) of the Impact Assessment Act, and to inform its advice to the Minister as to whether to designate the Project for federal review. Also provided were copies of the requests to designate the Project from Kainai First Nation and Siksika First Nation.

Montem is providing the requested information as well as responses to the designation requests. Montem strongly opposes the designation requests and requests that they be denied for the detailed reasons set out below.

The main reasons that the Project should not be designated are:

- 1. The Project is the restart of a <u>small, existing</u> mining operation on a previously disturbed mine site, with a relatively short duration (approximately 14 years) with a production capacity of less than 5,000 tonnes per day. It is not a new mine or a large expansion that would warrant federal designation;
- 2. Based on our assessment of the Project, there are no federal permits or authorizations are required for the Project. Further, no adverse effects to areas of federal jurisdiction are anticipated, including potential adverse effects to fish and fish habitat, migratory birds, species at risk or Indigenous peoples and their rights; and

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¹ SC 2019, c 28,s 1.



- 3. Montem submits that Tent Mountain is being caught up in the public concern regarding greenfield coal development in the Crowsnest Pass area generally and that there is considerable misunderstanding regarding the scale and potential effects from the Project.
- 4. Given the small, and limited duration of the Project, it should not, and cannot afford to, be unduly burdened by a federal review process. Designating Tent Mountain for federal review could irreparably impair investor confidence and lead to abandonment of this Project.

A. Scope of the Project

First, Tent Mountain is a <u>small, existing mine</u> located in the Crowsnest Pass, Alberta. Coal was first discovered at Tent Mountain by prospectors in the early 1900s, and small-scale underground mining was carried out until the 1940s. In 1948, the first above-ground mine was opened at Tent Mountain, and various phases of above-ground mining occurred until 1983. Operations at that time were suspended and the mine entered into an active care and custody state, which has continued to the present day.

In 2016, Montem purchased the Tent Mountain Mine with the intention of completing the mining and exporting of metallurgical (steelmaking) coal to international markets. Remaining reserves will be fully exhausted in approximately 14 years based on the design production level of a maximum 4,925 tonnes of raw coal per day.

Tent Mountain has an existing mine permit. The resumption of mining at Tent Mountain will remain entirely within the already permitted mine area (Alberta Mine Permit C85-16G and BC Mine C-108). The Project requires a modest expansion of the non-mining operational area to include an existing access to the planned rail loadout facility, and also to include an existing wastewater pond over a License of Occupation disposition held by Montem.

Tent Mountain also has an Alberta *Environmental Protection and Enhancement Act*² ("**EPEA"**) Approval #47679, which governs the operations within the mine permit and the road leading to the mine site. The EPEA approval requires certain amendments prior to operations recommencing.

In January, 2021, the Alberta Energy Regulator (the "AER") determined that an environmental impact assessment ("EIA") would be required under EPEA for the resumption of mining activities at Tent Mountain, and the construction and operation of the new CHPP being proposed for the site. Montem is currently preparing the EIA studies and intends to submit an integrated application for all requisite approvals and amendments to the AER in 2021 (see table of regulatory applications in response to Information Request No. 2).

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² RSA 2000, c E-12.



Coal processing will be done basically in the same manner as previously approved however, at a different location. Montem is proposing to build and operate a new CHPP that will be located immediately adjacent to the existing mine operations within the mine permit boundary. The CHPP will be included in the Alberta EIA as well as the integrated amendment application for the EPEA operating approval.

The integrated application will also include a modern, updated reclamation plan, which Indigenous groups will have the opportunity to provide input and actively participate in. Once reclaimed, the previously-disturbed mine site will be left in a significantly better ecological state and provide better access to Indigenous groups than it does today.

B. Reasons Why Tent Mountain Should Not Be Designated

Pursuant to section 9(1) of the IAA, the Minister may designate a physical activity that is not prescribed by the *Physical Activities Regulations*³ if the Minister is of the opinion that either the carrying out of that physical activity may cause adverse effects within federal jurisdiction or adverse direct or incidental effects, or public concerns related to those effects warrant the designation. Before making the order, the Minister may also consider adverse impacts that a physical activity may have on the rights of the Indigenous peoples of Canada, including Indigenous women.

1. Below Threshold Levels

At the outset, it should be noted that, the Project is a small mine and below <u>both</u> thresholds for a designated project set out in Schedule 2 of the *Physical Activities Regulations* i.e. below the 50% area threshold as well as below the coal production capacity threshold of 5,000 tonnes per day.

Many of the projects designated under section 9(1) of the IAA fall below one of the thresholds but not both. Tent Mountain falls below both thresholds. Tent Mountain's production capacity is also significantly smaller than the last two coal mines designated for federal review (i.e. Castle Project at 27,400 tonnes per day and Vista Coal Mine Phase II Expansion at 18,683 tonnes per day).

The requests for federal designation suggest that the production capacity for the Project was deliberately set below the threshold in order to avoid a federal review. This is not the case. The Mine operations were designed to release the maximum daily rate over the anticipated operating schedule dictated by the design capacity of the coal processing plant. The capacity level is based on work conducted by the independent engineering company Sedgman Canada Ltd. that specializes in coal handling and plant design. The design calls for maximum operations of 7,200

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³ SOR 2019-285.



hours per year, with remaining hours being required for maintenance, and will peak at a raw coal feed rate of just under 1.8 million tonnes per year. This design sets the plant capacity at a maximum of 4,925 tonnes of raw coal feed per day. The mine, mobile equipment and raw coal handling facilities are designed to accommodate this production capacity.

The purpose of setting out the thresholds in the *Physical Activities Regulations* is to capture new coal developments and/or large expansions of existing mines for federal review. The Project is neither – it is not a new mine or a large expansion.

2. No Adverse Effects Within Federal Jurisdiction

No federal authorizations or permits are required for the Project. Further, no adverse effects to areas of federal jurisdiction are anticipated. In the event there are adverse effects in areas of federal jurisdiction, these potential adverse effects are not expected to be permanent and can be appropriately managed by the provincial EIA and AER processes and by the federal review processes under specific approval requirements of the *Fisheries Act*, ⁴ *Migratory Birds Convention Act*, ⁵ and the *Species at Risk Act*. ⁶ These processes include mechanisms for consultation with Indigenous peoples and will address potential adverse effects and the specific concerns being raised by Kainai First Nation and Siksika First Nation.

A summary of potential adverse effects to areas of federal jurisdiction is provided below. Further detail is provided in the responses to IRs 1 to 8 attached.

i. Fish and Fish Habitat

Montem does not expect the Project to result in the death of fish or the harmful alteration, disruption, or destruction (HADD) of fish habitat and will not require any permits or authorizations under the *Fisheries Act*.

Further, there is no direct affect to critical habitat of the Westslope Cutthroat Trout or to the Bull Trout, both listed species under the *Species at Risk Act*, in the Project area. Any releases from the Project will be to the Crowsnest or the East Crowsnest creeks, which is located above a natural fish barrier. Neither of these creeks are fish-bearing waters.

The determination of aquatic habitat components of the Project is complete and the assessment is underway. The studies encompass a description of the potential Project effects of planned mining operations on aquatic resources. The local study area (LSA) for the aquatic impact

⁵ SC 1994, c 22.

⁴ RSC 1985, c F-14.

⁶ SC 2002, c 29.



assessment considered the limits of the mine permit boundary and local drainage basin characteristics, and encompassed the watercourses where Project-specific effects may occur. The LSA includes the entire length of Crowsnest Creek and its headwater tributaries within the mine permit boundary (including East Crowsnest Creek) and the sections of Island Creek that could potentially be affected by the proposed haul road. The regional study area (RSA) for the aquatic's assessment is consistent with the RSA that was established for the surface water quality assessment and encompassed the Crowsnest River downstream to the mouth of the Oldman Reservoir.

An offsetting plan is therefore not considered to be necessary in order to fully mitigate potential adverse effects to fisheries resources. Montem is committed to undertaking the Project in a manner that does not contravene the *Fisheries Act* and will consult with Fisheries and Oceans Canada to ensure compliance with federal regulations.

ii. Migratory Birds

Montem will be fully compliant with the *Migratory Birds Convention Act* and will not require any federal authorizations.

Montem has completed our breeding bird surveys with over one hundred bird species recorded during the designated BBS point counts. The majority of the birds documented were woodland passerines which is expected due to the high density of trees in the Project study area. The species that had the greatest occurrence during BBS point counts was the Swainson's thrush which was documented at 94% of the point count locations. Eighty-four percent of the species observed are protected under the *Migratory Birds Convention Act*. Twenty (20) of the species are considered species of concern, and three have an undetermined status in Alberta. Two species of management concern, the bank swallow and the olive-sided flycatcher are also listed under the *Species at Risk Act*. The majority of the remaining species of concern have an Alberta General Status of 'Sensitive'. The black-throated green warbler, which is 'Sensitive' in Alberta, had the greatest occurrence for species of concern, and was documented at 29% of the BBS points. Similarly, the 'Threatened' olive-sided flycatcher was observed often in the study area, at 28% of the BBS points.

Mitigation measures to prevent or minimize Project effects on migratory birds and their habitats will be incorporated into Montem's wildlife assessment for review by the AER. Key measures include planning vegetation clearing outside of the breeding bird period (April 15 to August 31) characteristic of the region, conducting pre-disturbance nest searches, and implementing the progressive conservation and reclamation proposal that promotes the development of habitats required for migratory birds. Montem acknowledges that Environment Canada encourages industry to develop Beneficial Management Practices guides to minimize potential Project-specific impacts on migratory birds and their habitat. Montem will be implementing a number of best management practices, Project design features, and other wildlife mitigation measures to



avoid or minimize effects on wildlife. These best management practices, design features, and mitigation measures will be presented as part of the EIA and Provincial based approval applications.

iii. Species at Risk

Montem will be fully compliant with the *Species at Risk Act* (**SARA**) and will not require any federal authorizations.

The assessment currently underway has identified a number of rare plant species associated with the past disturbance, current disturbance and in particular the new disturbance areas of the Project. During the rare plant survey nine (9) rare plant species were identified within the confines of the Project study area. Aromatic pussytoes, creeping Oregon-grape, silverleaf scorpionweed and Whitebark Pine are currently ranked S3 by the Alberta Conservation Information Management System (ACIMS). Parry's rush, Oregon boxleaf, western larch and western red-cedar are currently ranked S2 by the ACIMS, while inflated sedge is currently ranked S1 by the ACIMS.

The only potential direct impact to a SARA-listed vegetation species is the presence of Whitebark Pine, which is located within the Project area and within future active areas. Whitebark Pine is a Schedule 1 Listed Species in the federal *Species at Risk Act* and is also considered 'endangered' according to the Alberta *Wildlife Act*. Montem will comply with all applicable SARA requirements as well as the Alberta Species Recover Plan.

The majority of recorded rare plant species observations were associated with undisturbed ecological communities within the Project study area; however, three (3) species (Parry's rush, silverleaf scorpionweed and aromatic pussytoes) were observed exclusively within disturbed areas of the old mine within the Project study area.

Rare plant species rankings in Alberta are largely determined by the number of observations of the species that are reported in the province. Based on this system, low profile, difficult to locate, and hard to identify species are more likely to be listed as rare. It is difficult to determine if some species are rare due to location at the edge of their natural range. Taxonomic uncertainty and misidentification may also result in the rare status of certain species. Avoidance of rare plant species provincially ranked between S1 and S3 is the most preferred mitigation option. Where avoidance is not an option, site-specific and species-specific mitigation planning may be possible. Based on a review of the species descriptions and habitat requirements of the rare plant species located in the Project study area, Montem has developed a rare plant species mitigation program, which will be included as part of the EIA and Project applications to the AER.

Montem has completed baseline data gathering and reviews of available information for wildlife in the Project area. Our information indicates that while the Project is located within mountain goat and bighorn sheep range, a review of Fisheries and Wildlife Management Information System



(FWMIS) results indicated that there have been no recorded observations of these species within the coal mine permit boundary.

The Fish and Wildlife Internet Mapping Tool also indicated that seven species (one bird and six mammals) of management concern have been historically observed within and proximal to the Project. None of the species documented are listed federally under the *Species at Risk Act*, however, three are recognized by COSEWIC as species of 'Special Concern', one of which (grizzly bear), is listed as 'Threatened' under the Alberta *Wildlife Act*.⁷

Montem has also undertaken a bat survey. Five species were identified through diagnostic calls, one of which, the little brown myotis, has a general status of 'May Be At Risk' in Alberta and is federally listed as 'Endangered' under the *Species at Risk Act*. Two of the five identified species have a general status of 'Sensitive' in Alberta. Bat detectors were deployed at locations where potential mining activity will occur to examine the potential for bat hibernacula at those locations. No caves were located within the Project; however, current understanding suggests that bats in Alberta often use cracks and crevices in rock faces as hibernacula more often than caves.

Montem's assessment process is underway and our mitigation plans are in development. At this time, subject to the upcoming review process, it is Montem's view that standard operational protection plans will ensure that during the Project life, wildlife impacts will be understood and can be mitigated. Of particular note is the existence of a significant wildlife corridor to the north of the Project area, where there are already significant, historical effects due to the current linear disturbance and other activities. Montem will ensure that additional protective measures are in place to avoid significant additional impacts to local and regional wildlife over the current impact of the existing infrastructure.

iv. Adverse Changes to the Environment on Federal Lands

The Project does not directly or indirectly affect the environment on federal lands.

v. Adverse Changes to Lands Outside Alberta

Montem is proposing the resumption of activities at the Tent Mountain Mine; an existing operation with mining activities that currently cross the provincial boundary between the Province of Alberta and the Province of British Columbia. The Project is proposing to reactivate and complete the previous operations area, which includes the area crossing the Provincial boundary.

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⁷ RSA 2000, c W-10.



At no time during operations or upon completion of the Project will any interprovincial transfer of water occur. No additional adverse changes to lands outside of Alberta will occur as a result of the Project.

vi. Adverse Impacts Resulting from Any Change to the Environment on Indigenous Peoples or Adverse Impacts on the Rights of Indigenous Peoples

As the resumption of the Tent Mountain Mine operation will take place wholly within the previously approved mine site, no new potential adverse impacts to Indigenous rights or current traditional use have been identified, or new adverse impacts to their physical or cultural heritage, historical or archaeological interests or to their health, social or economic conditions. Indigenous communities have expressed an interest in employment and business opportunities and in being involved in the reclamation of the mine site following production in order to regain greater access and use of the area for the exercise of treaty rights including hunting and other traditional uses.

As indicated above, the actual adverse direct or incidental effects from the Project will be minimal. Montem understands that Kainai First Nation and Siksika First Nation have concerns related to the Project and will continue to work towards resolving those concerns with the First Nations. Montem sincerely believes that the extent of the potential adverse effects of the Project are being misunderstood by Kainai and Siksika as well as some members of the public, and that the Project is being caught up by the general opposition towards new, greenfield coal development in the Crowsnest Pass area.

Conclusion

Montem is of the view that the Project should not be designated under section 9(1) of the *Impact Assessment Act*. The Project is undergoing comprehensive provincial EIA and AER processes. Any potential for adverse direct or incidental effects, or public concerns related to those effects will be accounted for and addressed by these processes. Any potential impacts on Indigenous peoples and their rights, and the specific concerns raised by Kainai and Siksika will be accounted for and addressed by the provincial EIA and AER processes.

Further, the Project must comply with existing provincial legislative mechanisms including Alberta's *Water Act*, ⁸ *Environmental Protection and Enhancement Act, Wildlife Act* and *Coal Conservation Act* and federal legislative mechanisms including the *Fisheries Act, Migratory Birds Convention Act*, ⁹ and *Species at Risk Act*. Any concerns that may have potential to fall within federal jurisdiction will be captured by these legislative mechanisms and the provincial EIA and AER processes.

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⁸ RSA 2000, c W-10.

⁹ RSA 2000, c C-17.



We trust the above is in order however, should you require any further information, please contact the undersigned.

Sincerely,

<original signed by>

Shireen Ouellet, Director of Environment and Regulatory

Montem Resources Alberta Operations Ltd.
PO Box 610, 7720 17 Avenue
Coleman, AB TOK 0M0
Phone: specialisticsmemored-
(<email address removed>)

Enclosure

Montem Resources Tent Mountain Project Information Request No. 1 March 30, 2021

Topic: Key Project Activities

Request:

The Agency request available information regarding information about key project activities, maps and layouts of the location of project components, land tenure, zoning, and estimated timelines for planning, construction, operation, decommissioning and abandonment.

Maps should also include:

- a. The extent of previous mining activities.
- b. Areas that have received reclamation certificates issued by the Province of Alberta
- c. The extent of mine operations for the entire life of the Project including any land located in BC and closure activities (including reclamation)
- d. The footprint of the rail loadout facility including any land located in BC.

Montem Response:

1(a) Key Project Activities

The key Project activities include open pit mining, coal processing and loading on trains for transportation to market. The Project will also incorporate environmental management programs and practices during operations, and to support project closure and reclamation.

Montem is proposing a 14-year program, utilizing open pit mining, truck/shovel conventional mining to complete the economic development of the suspended mine operations. Mining will be undertaken in the same manner as previously approved. A combination of truck/shovel mining will be employed to extract the raw coal. Newer and more efficient trucks and equipment proposed for the Project will reduce the environmental effects when compared to the previous operations.

The resumption of mining will enable a more complete development of the Tent Mountain operation. Remnant features, such as the Pit 4 waterbody, which has received a reclamation certificate, can be more fully developed and then reclaimed to current and higher standards of mine reclamation. In a similar way, several of the rock dumps along the north and west perimeters of the mine are planned for reactivation and a complete closure after additional rock material placement (although certified, these reclamations were never completed). There are no complexities anticipated with the resumption of mining that would require the development of new or unproven technologies.

Montem is also proposing to build and operate a new coal handling and processing plant (**CHPP**) that will be located immediately adjacent to the mine operations within the existing mine permit boundary. Coal

processing will be done basically in the same manner as previously approved, however at a different location.

Montem is proposing a proven technology of crushing, screening and gravity separation of waste rock from coal at Tent Mountain. The current design calls for the use of dense medium cyclones for the clarification of coarse coal, reflux classifiers for the recovery of fine coal and the use of flotation for the recovery of ultrafine coal. These are all leading technologies, with known performance histories, that are significant improvements over the previously approved operation. These technologies will increase the recovery of available coal and decrease the processing costs.

Fines management will also experience improvements over the previous operations, which included tailing ponds and coarse reject storage locations adjacent to the Crowsnest River in the Town of Coleman. Montem is proposing that tailings will be filtered at the Tent Mountain CHPP and combined with coarse rejects for co-emplacement. This design may eliminate the need for a tailing impoundment and will utilize less water.

Coal transportation and loading is proposed to be located to the north of the Project, utilizing CP Rail facilities next to Provincial Highway #3. The loading facility will be located primarily within the Province of BC. The potential loading facility is illustrated on **Figure 4** below.

1(b) Maps and Layouts

Please see the following figures:

Figure 1: Proposed Project layout with existing disturbance.

Figure 2: Overall proposed mine plan for Tent Mountain Mine.

Figure 3: Illustration of proposed mine end landform.

Figure 4: Illustration and location of potential Tent Mountain Mine Loadout.

Figure 5: Illustration of land tenure for the Tent Mountain Mine resumption project.

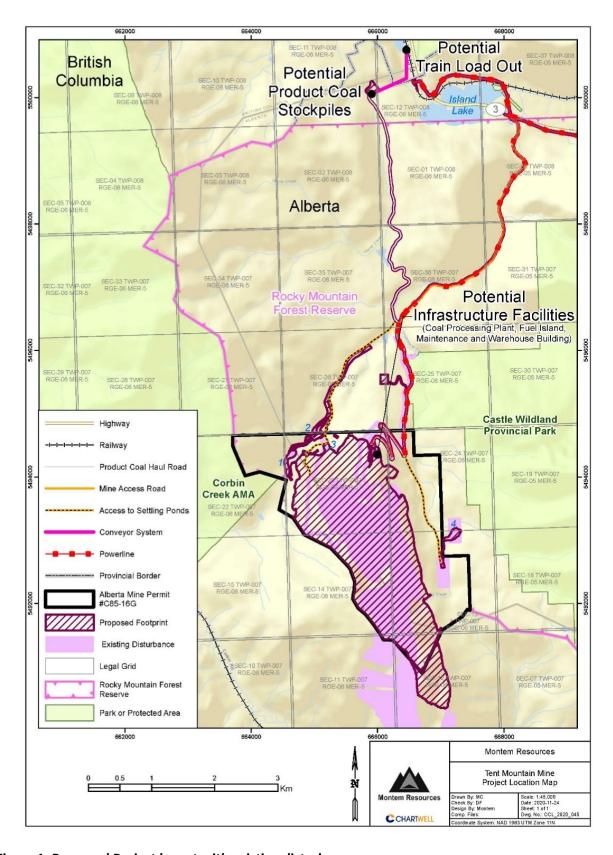


Figure 1: Proposed Project layout with existing disturbance.

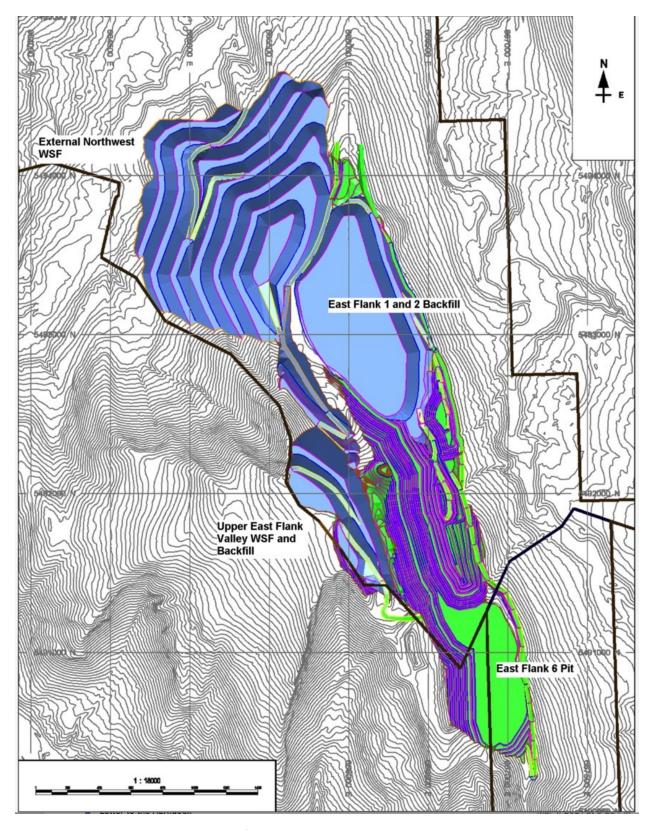


Figure 2: Overall proposed mine plan for Tent Mountain Mine.

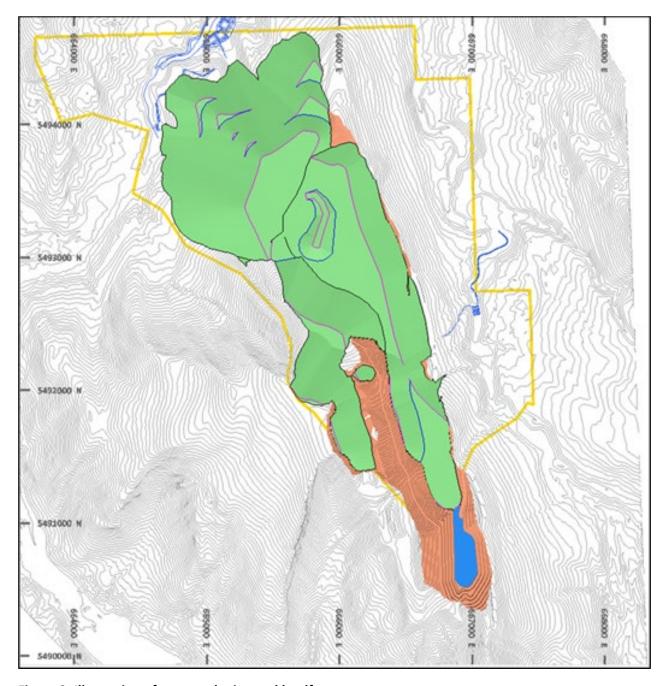


Figure 3: Illustration of proposed mine end landform.

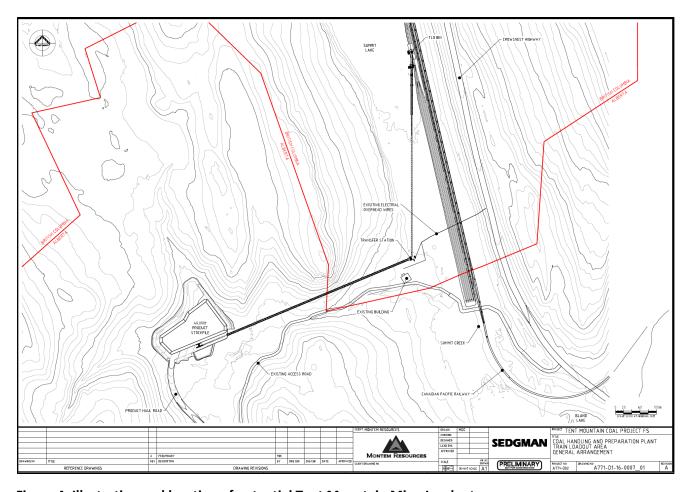


Figure 4: Illustration and location of potential Tent Mountain Mine Loadout.

2. Land Tenure and Zoning

The Project area is comprised of freehold titles and coal leases that encompass an area of approximately 1,670 ha and all these leases and freehold titles are held by Montem. Montem holds 11 Alberta coal leases (Table 1 and Figure 2), and 10 freehold Alberta land titles (Table 2 and Figure 2). In addition, Montem holds five freehold titles with surface rights only (Table 3 and Figure 2). Four of these freehold titles overlap coal leases owned by Montem and one is northeast of the main property covering the access road.

Table 1: Tent Mountain - Alberta coal leases.

Lease Type	Agreement Number	Status	Term Date	Expiry	NTS Map Sheet	Area (ha)
013	1305100739	Active	01-Oct-05	01-Oct-20	82G10	312.2
013	1305090663	Active	21-Sep-05	21-Sep-20	82G10	94.3
013	1306080821	Active	26-Aug-06	26-Aug-21	82G10	64.8
013	1306080822	Active	26-Aug-06	26-Aug-21	82G10	213.6
013	1305090664	Active	21-Sep-05	21-Sep-20	82G10	48.8
013	1305090665	Active	21-Sep-05	21-Sep-20	82G10	57.5
013	1305090668	Active	21-Sep-05	21-Sep-20	82G10	102.8
013	1306080819	Active	26-Aug-06	26-Aug-21	82G10	122.1
013	1305090667	Active	21-Sep-05	21-Sep-20	82G10	38.5
013	1305090666	Active	21-Sep-05	21-Sep-20	82G10	151.3
013	1306080820	Active	26-Aug-06	26-Aug-21	82G10	64.9
Total Area:						1,270.9

Table 2: Tent Mountain - Alberta freehold titles.

LINC Number	Status	Term Date	Expiry	NTS Map Sheet	Area (ha)
0021432364	Active	N/A	N/A	82G10	8.1
0021430038	Active	N/A	N/A	82G10	7.7
0034328290	Active	N/A	N/A	82G10	8.1
0021452040	Active	N/A	N/A	82G10	15.8
0021452073	Active	N/A	N/A	82G10	15.9
0021430012	Active	N/A	N/A	82G10	64.9
0021432372	Active	N/A	N/A	82G10	24.3
0021452058	Active	N/A	N/A	82G10	32.6
0021432357	Active	N/A	N/A	82G10	48.9
0021430020	Active	N/A	N/A	82G10	32.6
				Total Area:	258.8

Table 3: Tent Mountain - Surface-only Alberta freehold titles.

LINC Number	Status	Term Date	Expiry	NTS Map Sheet	Area (ha)
0021438320	Active	N/A	N/A	82G10	2.1
0021452065	Active	N/A	N/A	82G10	12.2
0021438213	Active	N/A	N/A	82G10	49.1
0021438205	Active	N/A	N/A	82G10	8.0
0021438338	Active	N/A	N/A	82G10	5.7
				Total Area:	77.0

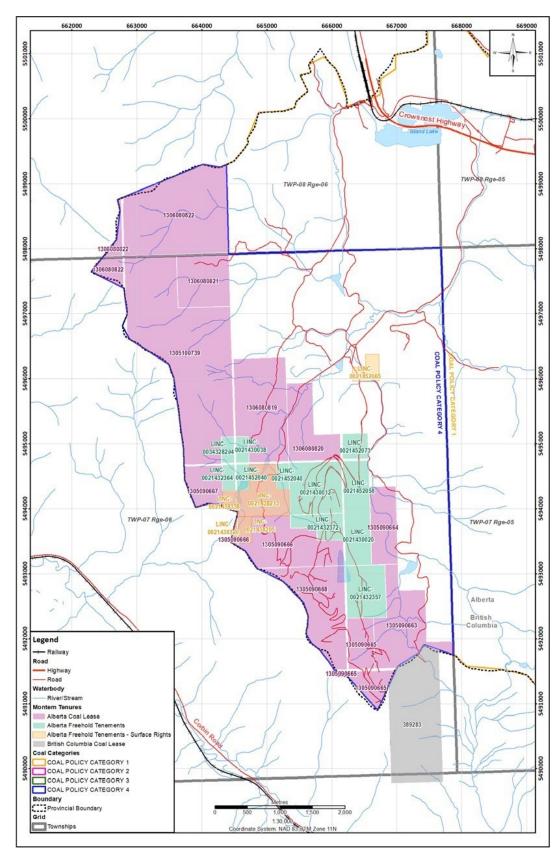


Figure 5: Illustration of land tenure for the Tent Mountain Mine resumption project.

1(c) Estimated Timelines for Planning, Construction, Operation, Decommissioning and Abandonment

Major activities associated with the Project include pre-construction, construction, operations, decommissioning, closure, and reclamation. As part of the long-range planning function, the optimization of the sequence and pit extents are re-evaluated annually to meet market demand. The phases for the Project are provided in **Table 4** below.

The planned annual mining and development progression are included in the environmental impact assessment (**EIA**) and integrated application being prepared. Completion of Project phases are dependent on achieving planned productivities. Actual completion dates may vary.

Montem will complete an annual evaluation of the proposed pit as part of its long-range planning process to incorporate learnings form the previous year and evaluate current market conditions.

Table 4: Project Phases and General Activities.

Phase	Phase Year(s)	Phase Start	General Activity	
			Timber and brush clearing	
			Soil salvage and stockpiling Construction of Rail Loadout	
			Construction of powerline to the processing plant	
Construction	1	2022 to 2023	Construction of water management structures	
			Construction of haul road between the mine and the rail loadout	
			Construction of support buildings	
			Blasting and removal of waste rock	
Operations	2 to 15	2023 to 2036	Mining and processing of raw coal	
			Transporting to market	
			Contouring of waste rock dumps to acceptable configuration	
Reclamation	16 to 18	2037 to 2039	Decommissioning and reclamation of roadways and powerline corridors	
			Cover soil and seed for closure	
Decommissioning and Closure	18+	2039+	Ongoing monitoring and maintenance	

Montem Resources Tent Mountain Project Information Request No. 2 March 30, 2021

Topic: List of Regulatory Approvals

Request: The Agency is requesting a list of all regulatory approvals (federal, provincial, municipal,

other), including amendments to existing approvals, and any federal financial assistance that would be required for the Project and the associated project components or

activities.

Montem Response:

A listing of all regulatory approvals required for the Project is below in **Table 5.**

No federal permits or authorizations are required for the Project. No federal financial assistance is required for any component of the Project or associated project components and activities.

Table 5: Summary of Regulatory approvals and permits.

	Legislation	Approval(s) Required	Responsible Authority	Status of Approval or Application	Comments
Д	lberta				
	Coal Conservation Act	Permit to develop a mine site or mine	Alberta Energy Regulator	Permit C 85-16 Issued Dec 30, 1985.	No changes to the existing Permit is required.
	Coal Conservation Act	Approval to	Alberta Energy		Coal processing plant will require new authorization under the Act.
		Regulator	Application to be submitted 2021	Plant will be constructed and operated within the boundary of the existing Permit and not require any new land disturbances.	
	Coal Conservation Act	Approval(s) to develop, operate and reclaim the surface mine, associated rock disposal areas and Project	Alberta Energy Regulator	Application to be submitted 2021.	Pits, rock disposal areas and other Project infrastructure will be constructed partially within the existing operational areas and incorporated into the Project expansion areas.
	Section 11	infrastructure.			.,

	Legislation	Approval(s) Required	Responsible Authority	Status of Approval or Application	Comments
Alb	erta				
	Water Act Part 4 Division 1	Fenceline Water Act Approval for the construction and operation of water management structures.	Alberta Energy Regulator	Applications for new and amendment water management activities to be submitted 2022.	Existing and new water management facilities will be applied for as operations begin. Lands required will be within the existing Project footprint and on existing dispositions.
	`Water Act Part 4 Division 2 Licences	Water Act Licence for the consumptive use of defined quantities of water for the fresh water make up requirements of the coal plant.	Alberta Energy Regulator	Application for new licence to be submitted in 2022.	Montem will be applying for a Licence to divert and use water for the purpose of washing raw coal at the coal handling and processing plant. Montem will apply to utilize water stranded in Pit 4.
	Environmental Protection and Enhancement Act Part 2 Division 2 Section 70	Authorization under EPEA for the construction, operation and reclamation of the mine and CHPP.	Alberta Energy Regulator	EPEA Approval 0047679-02-01 for mine is valid for suspended operations.	Amendments will be required to authorize the resumed operations and the new CHPP.
	Public Lands Act	Authorization to occupy Public Land in the Province of Alberta.	Alberta Energy Regulator	MSL Application in review by the AER for lands access required for resumed operations.	New MSL authorization is expected to be issued upon completion of the EIA and regulatory review process.
	Historical Resources Act	Clearance for surface disturbance activities under the Historical Resources Act	Culture, Multiculturalism and Status of Women	Previous clearances have been updated with new disturbance footprint for resumed operations.	Clearance under the Act is expected to be issued upon completion of the environmental regulatory review process.
	Municipal Government Act	Enabling Legislation for local municipal governments to enact development permitting and control	Municipal District of Crowsnest Pass	Applications to the Municipal District of Crowsnest Pass will be required.	Applications will be submitted early 2022 for construction authorizations.
	Electrical Utilities Act	Authorizations for interconnection to electrical for the Project	Alberta Utilities Commission and Electric System Operator	Applications will be made as required.	Applications will be submitted early 2022 for electrical needs of the plant, office and shop facilities.

	Legislation	Approval(s) Required	Responsible Authority	Status of Approval or Application	Comments
Bri	tish Columbia				
	Mines and Minerals Act	Mining Permit C 108	Ministry of Environment and Climate Change	Existing Permit C-108 will require an amendment for the resumption and new mining areas in BC.	Applications for mining in BC are not required for 5 - 8 years. Contact with BC mining regulatory agencies have commenced. Montem may propose to expand existing Pit 5 within the C-108 mine permit area along with a small new expansion into the Montem coal lease 389283.
	Environmental Management Act	Regulates waste discharge, pollution, hazardous waste and contaminated site remediation. Waste release permit PE - 3986	Ministry of Environment and Climate Change	Existing Permit PE 3986 will require an amendment for the resumption of mining activities and the operation of the new coal load out facility.	Applications for discharge changes in BC are required for resumed operations in 5 – 8 years. Contact with BC mining regulatory agencies have commenced and applications associated with the loadout facility will be submitted in 2021.
	Environmental Assessment Act	Assessment whether a major project is in the public's interest.	Environmental Assessment Office	Legislative direction on the process and outcomes of Provincial review process for reviewable Projects.	Initial review with BC regulators confirming that the modification to facilitate the Project does not exceed the Regulation thresholds and therefore no new EIA will be required.
	Environmental Assessment Act	Reviewable Project Regulation	Environmental Assessment Office	Prescribes the scale and nature of new and amended Projects that require review under the Act. The modification must result in the disturbance of (i) at least 750 hectares of land that was not previously permitted for disturbance, or (ii) an area of land that was not previously permitted for disturbance and that is at least 50% of the area of land that was previously permitted for disturbance at the existing facility.	Initial review with BC regulators confirming that the modification to facilitate the Project does not exceed the Regulation thresholds and therefore no new EIA will be required.

	Legislation	Approval(s) Required	Responsible Authority	Status of Approval or Application	Comments
Fed	deral				
	Fisheries Act Section 35	The purpose of this section is to prohibit the unauthorized harmful alteration, disruption or destruction of fish habitat (HADD).	Fisheries and Oceans Canada	The Project will not be creating a HADD and therefore no authorization is required-under the Fisheries Act.	
	Fisheries Act Section 36(3)	The purpose of this section of the Fisheries Act is to prohibition against depositing a deleterious substance into water frequented by fish, contrary to s. 36(3).	Fisheries and Oceans Canada	The Project does not directly release into water frequented by fish. The Project's water management plan is designed to decrease and/or eliminate the possibility of substance release into the environment. All deposits of selenium, calcite, or other substances into water will meet applicable thresholds	
	Navigation Protection Act Section 9	Authorization to construct obstructing works in navigable waters	Transport Canada	No requirement for Navigation Protection Act authorization.	
	Migratory Birds Convention Act	The purpose of this Act is to implement the Convention by protecting and conserving migratory birds — as populations and individual birds — and their nests.	Environment and Climate Change	The Project will not be depositing a substance that is harmful to migratory birds in waters or an area frequented by migratory birds and will therefore be in compliance with Migratory Birds Convention Act	No person or vessel shall deposit a substance that is harmful to migratory birds, or permit such a substance to be deposited, in waters or an area frequented by migratory birds or in a place from which the substance may enter such waters or such an area.
	Species at Risk Act	The purposes of this Act are to prevent wildlife species from being extirpated or becoming extinct, to provide for the recovery of wildlife species that are extirpated, endangered or threatened as a result of human activity and to manage species of special concern to prevent them from becoming endangered or threatened.	Environment and Climate Change	There is no direct effect to critical habitat for the Westslope Cutthroat Trout or to the Bull Trout within the Project Area. The only potential direct impact to SARA listed species is the presence of Whitebark Pine, which is located within the Project Area and currently within the future active mining areas. Montem will comply with the Alberta Species Recovery Plan for all identified listed species.	Species specific recovery plans are in place for potentially affected species

Montem Resources Tent Mountain Project Information Request No. 3 March 30, 2021

Topic: Regulatory Approvals

Request:

- 3 (a) For each regulatory approval that would be required, please provide the following information:
 - i. Name of the licence, permit, authorization or approval, the associated legislative framework, and the responsible jurisdiction.
 - ii. Provide the status of attaining any regulatory approvals that have been applied for.
 - iii. Whether it would involve an assessment of any of the effects outlined in the paragraphs above, and if so, a general description of the assessment that you intend to undertake. Would conditions be set and if yes, what effects would those conditions address?
 - iv. Whether public and/or Indigenous consultation would be required and if yes, provide information on the approach you intend to take (if any steps have been taken, please provide a summary, including issues raised as well as your responses).
- 3(b) Identify whether any licence, permit, authorization or approval listed above would address any of the following matters raised by the requester(s):
 - i. Water withdrawal volumes for industrial purposes in the Old Man River Basin
 - ii. Potential contamination from selenium and other metals in runoff water including water that may be used as drinking water
 - iii. Effects to the following:
 - fish and fish habitat
 - migratory birds
 - wildlife and wildlife habitat including federally listed species at risk
 - iv. Potential effects on Aboriginal and Treaty Rights in Alberta and/or BC including any applicable land use or management frameworks that may consider cumulative anthropogenic disturbance
 - v. If yes, discuss, in general, the benchmarks or standards that you intend to meet (or would be expected to meet).
 - vi. If the Project is anticipated to result in permanent changes or cumulative effects, how you intend to manage those impacts

Montem Response:

- **3(a)(i)** Please see **Table 5: Summary of Regulatory Approvals and Permits** in response to Information Request No. 2.
- **3(a)(ii)** Please see **Table 5: Summary of Regulatory Approvals and Permits** in response to Information Request No. 2.
- **3(a)(iii)** The AER is requiring an environmental impact assessment (**EIA**) under the Alberta *Environment Protection and Enhancement Act* (**EPEA**) for the resumption of activities at the Tent Mountain Project. This process will involve a determination of all the potential effects of the Project utilizing

accepted impact assessment practices and procedures. The review will examine Project-related, local and regional key environmental components as directed by the AER under the draft Terms of Reference.

The draft Terms of Reference of the EIA process is currently under public and technical review. Montem has proposed a standard EIA, normally used for a new mine, for the Project. It is anticipated that this broad public review of the draft Terms of Reference will ensure that all comments and concerns are incorporated into the preparation of the EIA.

Completion of the provincial EIA and regulatory processes will result in a decision from the AER on whether the Project is in the public interest and if so, issue the approvals for the construction and operation of the Project. These approvals will include additional conditions and directions derived during the assessment review, and specific terms and conditions for the construction, operation and reclamation of the Project. These conditions will be based not only the technical review of the Project components, but also on the statements of interest and concern registered throughout the AER application process.

3 (a) (iv) The AER regulatory process requires public and Indigenous consultation and engagement at all stages of the regulatory process. Montem has and will continue to be fully compliant with all required regulatory stages of consultation.

Montem created an overall public engagement strategy as well as specific Indigenous Strategy and Consultation Plans in 2018. This plan was implemented immediately and has evolved with the Project. The Indigenous Engagement and Consultation Plan identified Indigenous groups beyond the provincial requirements. Montem's mineral surface lease (MSL) application on the Crown portions of Tent Mountain Mine in Alberta initiated the Alberta Consultation Office (ACO) Crown consultation process in June 2019. All five Nations within the Treaty 7 territories were identified for the ACO consultation process.

In addition, Montem expanded to other First Nations based on the fact that the Project also has a small area of potential treaty and traditional considerations for Montem's British Columbia operational areas. Montem has committed and will continue to ongoing engagement and consultation for the Tent Mountain Mine resumption throughout its life cycles. A summary of concerns from all participating Indigenous groups are outlined within Montem's response to Information Request No. 5.

3(b)(i) Requesters of the federal review (Kainai and Siksika) raised the concern that there would be insufficient water withdrawal volumes for industrial purposes from the Old Man River Basin.

Montem will be applying to use of the water currently stranded in Pit 4. Pit 4 is a static body of water on the existing Mine site with no surface discharge that has reached a state of hydrologic equilibrium during the suspended operations. Montem intends to provide the hydrologic detail necessary to prove that the small consumption of portions of that trapped water quantity will have an insignificant effect on downstream natural or anthropogenic water users.

The Province of Alberta has regulatory jurisdiction over the allocation of water within the Province under the *Water Act*. Montem will be seeking the appropriate approval(s) under the *Water Act*.

3(b)(ii) Requesters of the federal review (Kainai and Siksika), have raised the concern that operation of the Project could lead to potential contamination from selenium and other metals in runoff water including water that may be used as drinking water.

Montem is proposing the construction and operation of layers of passive selenium mitigation techniques. Due to the small size of the Project and the ability of Montem to immediately control all mine water discharges, Montem is confident that discharges from the Project will be within the applicable water quality standards.

The water quality requirements for releases from mining operations are regulated under the EPEA. Montem will be seeking amendments to its existing EPEA operating approval for the Project. Montem operational planning currently underway indicates that Montem will be able to meet or exceed all known provincial water quality standards. Montem is proposing to manage mine water discharges to specific control systems where water quality will be monitored and controlled.

In addition to meeting or exceeding the Provincial standards, Montem is committed to achieving compliance with the draft *Coal Mining Effluent Regulation* (**CMER**) under the *Fisheries Act*. The CMER is a federal water quality release standard currently under development.

3(b)(iii) The following addresses potential effects from the Project under federal jurisdiction:

Fish and Fish Habitat

The Project does not create a harmful alteration, disruption or destruction (**HADD**) of any fish or fish habitat. There is therefore no licence, permit, authorization or approval required for fish or fish habitat effects. In addition, any releases into water will meet or exceed provincial standards. Accordingly, there is no risk of a release of an unauthorized deleterious substance under section 36(3) of the *Fisheries Act*.

There are no federally listed aquatic species at risk that will be directly affected by the Project including Westslope Cutthroat Trout or the Bull Trout. Any releases from the Project will be to the Crowsnest or the East Crowsnest creeks, which is located above a natural fish barrier. Neither of these creeks are fish-bearing waters.

Migratory Birds

Montem will ensure that all operations comply with the *Migratory Birds Convention Act*. There are therefore no effects planned or authorizations needed for the Project.

Wildlife and Wildlife Habitat including SARA

The Project does not create any new, significant effects to wildlife and wildlife habitat as a result of the resumption of activities.

There are temporary effects anticipated to wildlife and wildlife habitat during the Project operations (e.g. from noise, dust and traffic) that will be assessed in the EIA review process and regulated by the EPEA operating approval.

The only potential direct impact to a SARA listed vegetation species is to Whitebark Pine, which is located within future activity areas within the Project area. Whitebark Pine is also considered

"endangered" according to the Alberta Wildlife Act. Montem will comply with all applicable SARA requirements as well as the Alberta Species Recovery Plan.

3(b)(iv) Montem has considered potential effects to Aboriginal and/or Treaty rights in Alberta and British Columbia.

The Tent Mountain Mine is an existing mine with the necessary provincial permits, leases and other operating approvals already in place. The mine site is partially located on Crown lands that were effectively taken up with the issuance of the mine permit and Indigenous peoples have not been able to access the mine permit area for the purposes of exercising rights and traditional use for many years.

Montem has started engagement and will continue to engage with the impacted Indigenous communities to provide input into and participate in the reclamation planning for the Project and to facilitate a return of their access and enjoyment of these lands upon completion of the Project.

3(b)(v) See response above.

3(b)(vi) Effects from the Project are not expected to result in any permanent or negative changes. There will be short term effects during operations and for a short term after the completion of the Project, while reclamation is occurring, and ecological succession begins. It is anticipated that, should the Project be allowed to proceed, mining and reclamation processes will result in an improvement in the current environmental components of the Project area.

Cumulative effects of the Project will be addressed as part of the Provincial EIA process and in the context of regulatory applications. The Tent Mountain Mine is a small Project located on an existing mine site. The cumulative assessment will examine the effects and temporal extent of those effects of the resumption of mining and the construction/operation of the new CHPP. Other projects, both in the nearby British Columbia mining region of the Elk Valley and in the downstream areas of the Crowsnest Pass, will be considered in the assessment process and any cumulative effects identified and mitigated. Montem's engagement with local_communities and Indigenous communities will be used to provide input into the cumulative effects assessment.

Montem Resources Tent Mountain Project Information Request No. 4 March 30, 2021

Topic: Federal Approval Adverse Effects

Request: The Agency requests available information on all federal licences, permits,

authorizations, approvals, and/or financial assistance that may be provided for the Project, describe any anticipated adverse direct or incidental effects (including changes

to health, social and economic conditions) that may occur as a result.

Montem Response:

No federal approvals or authorizations are required for the Project and no federal financial assistance is required.

Please see response to Information Request No. 2 for further detail.

Montem Resources Tent Mountain Project Information Request No. 5 March 30, 2021

Topic: Public Engagement

Request: The Agency requests available information regarding the steps that have been taken to

consult with the public. What steps do you plan to undertake during all phases of the Project? Are you aware of any public concerns in relation to this project? If yes, provide an overview of the key issues and the way in which (in general terms) you intend to

address these matters?

Montem Response:

5(a) Steps Taken to Consult with Public

Montem aims to foster sustainable growth in the communities in which we operate. To do this effectively, engagement with stakeholders will be planned throughout the life of our organization, our projects and our activities. Montem is committed to working with our stakeholders to understand their needs and to provide opportunities where possible to include their input into the development of our projects.

Montem has initiated and will sustain public consultation and engagement throughout the life of the Project. Specific steps Montem performed and will continually update throughout the lifecycle of the Project are as follows:

- Provide a clear framework for all communication and engagement activities;
- Identify internal and external stakeholders, potential issues and opportunities for engagement and communication;
- Set out what communication channels will be used;
- Establish key messages and information;
- Establish communication protocols and principles;
- Identify proactive opportunities for engagement and communication; and
- Establish a mechanism for continuous improvement.

In January 2020, Montem opened an engagement specific centre in Coleman Alberta, where community members, Indigenous members and all levels of government bodies are encouraged to read our project displays, take factsheets and interact with Montem staff. Due to Covid restrictions the engagement centre was intermittently opened in 2020. Montem looks forward to reopening its engagement centre in the near future and continuing its in person dialogue with its stakeholders.

Montem has also initiated the following activities to encourage engagement and to assist Montem in understanding concerns regarding the resumption of the Tent Mountain Mine:

- Website
- Newsletters

- Factsheet/Flyers
- Email
- Advertisements in local papers
- Municipality quarterly updates
- Community markets
- Exhibitions
- Christmas parades
- Meetings with various groups from individual families, recreation groups and all levels of government
- Public presentations
- Support of local events

Montem's utilizes the techniques and tools outlined in **Table 6** below to communicate with its stakeholders.

Table 6: Engagement Techniques and Tools Utilized by Montem.

Tool	Notes
	Communications team is responsible for all updates
Website	 All publicly available information that is communicated to stakeholders will be placed on the website as a central resource for interested parties to find. The website can also be used as a tool for collecting feedback and input, and to promote information about Montem, upcoming events or updates. Discussion boards, online forums and chat events can also be hosted through the website.
Contact details	Email, phone number and other publicly available contact details
	Local and national media
	 Consider media outlets that connect with sponsors and partners
Advertisements	 Advertisements in local, regional and metropolitan media including newspapers, radio, television and online, should be used to advertise events, announce milestones or provide information to stakeholders
Social media and digital media	• Social media allows for two-way communication between Montem and their audience. Good participation in social media can improve reputation and foster relationships but suggested that protocols and guidelines developed to support any roll-out. Honest communication is critical to the success of any social media strategy, which can include using blogs, social networking and/or video and image sharing sites. Mobile technologies also enable stakeholders and community members to access information via personal electronic devices while on the move, meaning they can contribute anytime, anywhere.
Animations, videos, models	 Animations, videos and models should be adapted or created for use in stakeholder engagement, particularly at key dates during the season. Creating an interesting and consistent brand will assist stakeholders to recognise information as the project progresses.

Tool	Notes
Briefings (media)	Media briefings allow for key staff to meet and build relationships with media contacts. Better relationships with the media can assist in gaining more positive and frequent representation within media coverage.
Briefings to elected representatives, councils, government departments	Briefings will provide key government and parliamentary stakeholders with in-depth information about Montem, as well as the opportunity for regular updates. Key stakeholders in terms of government investment/policy/regulation.
Displays and exhibitions	• Displays and exhibitions will be used at community information sessions, but also as standalone information sources in community areas, such as libraries, shopping centres and near public transport.
Emails or email	A method of distributing project information, letters, newsletters etc that allows interested parties to subscribe and ensure they do not miss important updates
distribution lists	Email surveys and feedback mechanisms will provide a channel for stakeholders and community members who are shy to provide information without putting 'their face' to the suggestion.
Exclusive events / tours/ behind the scenes access	Site visits are an effective way of engaging certain stakeholders affected by Montem, such as the media, school groups, residents, local businesspeople, and elected representatives/ councils. It provides an opportunity to communicate important information while visitors get a better understanding of operations and the work to be undertaken
Targeted, community and sponsor events	Targeted events are defined aimed at an audience to provide them with information that is specifically relevant to them. It can include updates about sponsors/partners.
Advertorials	Where more in depth information is to be communicated, advertorials should be placed in local, regional and metropolitan newspapers to provide more detailed information about Montem. Gives better control of the messaging.

Montem plans to continue public engagement and consultation through the lifecycle of the project. A key principle Montem employs is to consistently update the Implementation of the engagement strategy in response to changing public interest as well as the progression of the Project.

5(b) Key Issues and Montem's Responses to Date

Montem has received a number of concerns and issues from the public to date. Please see **Table 7** below as to how Montem has initially responded and the way Montem intends to address these matters going forward.

Table 7: Outline of Key Public Concern To Date.

Public Concern Summary	Inclusion in Provincial Environment Impact Assessment (Y/N)	Provincial Regulation, guideline, management plan	Montem Commitment
Selenium Management and influence to the overall Oldman Watershed	Y	Y	Montem with the assistance of experts has created a comprehensive layered selenium and water management plan that manages historical and potential new releases of selenium. The plan includes avoidance, prevention, mitigation and treatment approaches to managing potential influence. The Mine plan schedules the upgrade of existing water management infrastructure during the construction phase to manage Selenium upfront. The first goal of the Selenium management plan is to meet or exceed the coal mining effluent limits set out in the Environment Canada Purpose regulation. The second goal was to reduce the historical influence and sustain this throughout the mine life through to closure and beyond. Montem can achieve our goals. Montem will include the Selenium and Water management plans in the provincial EIA and integrated applications.

Water allocation - closed basin	Y	Y	Montem intends to use the stranded water in the existing Pit 4 for the purpose of washing raw coal in the CHPP. Montem has completed with assistance from experts, a water balance and has an understanding of the potential influence, the resumption of mining and processing coal may have on within the Oldman River Basin. The intent is to maintain current water levels within Crowsnest and East Crowsnest creeks during operations. The land form at the end of mining is projected to increase the available water to the surrounding watershed. Montem will include the water management plans, the water balance as well as mitigation and recycling measures in the provincial
Protection of the Oldman Watershed	Y	Y	Montem recognizes the importance of water availabilities and quality to downstream users and the ecological importance of maintaining or increasing the quality and quality. Montem has completed with assistance from experts, a water balance and has an understanding of the potential influence, the resumption of mining and processing coal may have on within the Oldman River Basin. The intent is to maintain current water levels within Crowsnest and East Crowsnest creeks during operations. The land form at the end of mining is projected to increase the available water to the surrounding watershed. Montem will include the selenium management, water management plans, the water balance as well as

			mitigation and recycling measures in the provincial EIA and integrated applications. An operational Environment Protection and Enhancement Act (EPEA) and Water Act (WA) approval outlines the compliance requirements for both aspects.
Affects of the mine, will it reach Lethbridge	Υ	Y	Tent Mountain Mine is a small project. With the proposed avoidance, prevention, mitigation and treatment plans developed, Montem does not anticipate substantial influence downstream of the development area.
Waste rock management	Y	Y	Montem's mine plan proposal does extend the current external watercock facility at the initiation of mining. The extent is within the existing mine permit and EPEA boundary. The remainder of waste rock will be placed within mined out pits. The details of the mine plan complies with Alberta Coal Conservation Act (CCA) requirements, safety requirements and measures are placed with managing potential environmental influences. Full details will be available in the provincial EIA and integrated application.
Use of ponds surrounding the mine	Υ	Y	To minimize additional footprint, the existing water management ponds will be upgraded and used throughout the project life. Currently, they are monitored on a regular basis to ensure compliance.

Affects to aquatic and Cutthroat trout and Bull trout			Montem will not be directly releasing water into fish bearing waters. Further, there is no direct effect to critical habitat for the Westslope Cutthroat Trout or to the Bull Trout within the Project Area. Montem recognizes the importance
			of water availabilities and quality to downstream users and the ecological importance of maintaining or increasing the quality and quality.
	Y	Y	Montem has completed with assistance from experts, a water balance and has an understanding of the potential influence, the resumption of mining and processing coal may have on within the Oldman River Basin. The intent is to maintain current water levels within Crowsnest and East Crowsnest creeks during operations. The land form at the end of mining is projected to increase the available water to the surrounding watershed.
			Montem will include the selenium management, water management plans, the water balance as well as mitigation and recycling measures in the provincial EIA and integrated applications.
			An operational Environment Protection and Enhancement Act (EPEA) and Water Act (WA) approval outlines the compliance requirements for both aspects.
Completion of cumulative impact assessment	Y	Y	A fulsome cumulative effects assessment is included within the Alberta EIA requirements. This includes aspects within the BC jurisdiction.
Will Montem mine the top of a mountain	Y	Y	Tent Mountain Mine is an existing disturbance that has already mined much of the area.

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Coal Policy category/land use policies	Y	Y	Tent Mountain mine is an existing mien with the 1976 Coal Policy category 4 lands. All federal, provincial (AB & BC) legislation, regulation, guidelines and management areas are considered when understanding potential impacts, developing mitigation plans and ensuring compliance. International best practices were considered in development of the mine plan and environmental management plans (will be available when the EIA and integrated applications are complete).
Managing recreation access and trapping	Υ	Y	Montem will continue the safe access for registered trappers. Montem recognizes it may have an impact and will mitigate where possible.
Reclamation concerns	Y	Y	Montem aims to leave the site in a safer and in better condition environmentally than it is currently. This involves further understanding from Indigenous groups, regulatory bodies and the public on what their goals are for this area. The reclamation plan is reviewed every three years with the EPEA approval requirements which allows Montem to evolve the plan with further input and mine planning efficiencies.
Employment opportunities	Υ	Υ	Montem is proposing 200 person construction and 190 permanent employee opportunities with the resumption of Tent Mountain mine.
Use of local contractors	Υ	Y	Montem currently uses and many local and Indigenous contractors a feasible and will continue this endeavor.

Control of Dust at the loadout / high wind and air emissions	Υ	Y	Recognizing the high winds experienced in the area, Montem's proposing best management practices form international jurisdictions, compliant with Canadian regulations, to mitigation the potential influence of air quality reduction or dust events at the loadout and the mine site. The air quality modeling includes both BC and AB limits and parameters to ensure the most stringent limits are achieved.
Control of Noise at the load out	Υ	Y	Tent mounting mine is proposed to be a 24 hour operation at the mine site. The anticipated frequency of loading trains is once per week. Loading will occur during daylight hours and the schedule and notice will be provided to local residents.
Twining of Project resumption	Υ	Y	Montem has discussed its project with Alberta Transport. A traffic study has been completed and is included in the EIA and integrated application. Tent Mountain mine does not anticipate influencing the potential twinning of Highway 3.
Changes from previous operations to proposed (size of fleet, CHPP)	Y	Y	Changes recognized are as follows: Mining fleet will consist of modern equipment that is to a much higher emissions standard than previously utilized at the mine. The operations will be a 24 hour operations. The Coal Handling and Processing Plant (CHPP) originally located in the town of Coleman adjacent to the Crowsnest River will be located within the mine permit boundary and will be a new facility the complies with modern emissions requirements.

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			Montem will not be directly releasing
			water into fish bearing waters.
			Further, there is no direct effect to critical habitat for the Westslope Cutthroat Trout or to the Bull Trout within the Project Area.
			The only potential direct impact to SARA listed species is the presence of Whitebark Pine, which is located within the Project Area and the future active mining area.
			Montem will follow all federal and provincial regulations and management plans to avoid, prevent or mitigate potential impacts on Sara listed species.
Species at Risk (Limber Pine, Cutthroat trout, Bull Trout, and Rocky Mountain Sculpin)	Y	Y	Montem has completed with assistance from experts, a water balance and has an understanding of the potential influence, the resumption of mining and processing coal may have on within the Oldman River Basin. The intent is to maintain current water levels within Crowsnest and East Crowsnest creeks during operations. The land form at the end of mining is projected to increase the available water to the surrounding watershed.
			Montem will include the selenium management, water management plans, the water balance as well as mitigation and recycling measures in the provincial EIA and integrated applications.
			An operational Environment Protection and Enhancement Act (EPEA) and Water Act (WA) approval outlines the compliance requirements for both aspects

			The Tent Mountain Mine plan has been developed to keep the new disturbance to a minimum. The rock disposal area are designed to complete existing disturbed areas as much as possible. All new disturbances are kept to a minimum with only three being proposed within the existing mine permit boundary.
			The Alberta WBP Recovery Plan states that habitat loss or alteration from commercial, industrial and/or recreational activities are threats to Whitebark Pine habitats; however, these threats are considered low to moderate in severity and local in effect.
			A mitigation measure for the Project will include the introduction of white pine blister rust resistant strains during reclamation phases. The provincial recovery plan for this species includes criteria for identifying disease resistant trees and establishing greenhouses to propagate resistant seedlings for future reintroduction. Mitigation will include participation in this provincial recovery program.
Interprovincial works impacts	Υ	Y	Tent Mountain Mine is an existing mine with permits and approvals in both the BC and AB jurisdictions. The project begins in Alberta and the appropriate EIA and integrated application requirements are followed. The BC aspects of the mine will follow BC provincial requirements, the BC mine expansion is considered and was communicated within the IAAC project Summary. The production limit proposed included the potential of mining into BC.

			Environmental parameters are considered in the AB EIA that may impact BC.
General coal mining within the region	Y	Y	Montem is aware of the public sentiment at this time. The Crowsnest Pass is a historic coal mining area. Montem is confident that provincial regulations, guidelines and management plans will ensure minimal impact to Indigenous, ecological and community values.
Adverse social and economic assessment	Y	Y	A social and economic assessment is included in the provincial EIA and integrated application.
Sustainability	Υ	Y	Within the Mine feasibility study, Montem included overall sustainability of its operations through economic variances. Montem is confirmed the project can sustain the cyclical nature of coal mining, without compromising ecological values and compliance.
Soil	Y	Y	Tent Mountain mine, having been mined in the 70's and 80's has little spoil to salvage. This is evaluated and management plans are included in the EIA and integrated applications. Montem is researching other means to ensure the long-term viability of the proposed reclamation at the mine.

Montem Resources Tent Mountain Project Information Request No. 6 March 30, 2021

Topic: Indigenous Engagement

Request: The Agency requests available information regarding steps that have been taken to

consult or engage with Indigenous communities. What steps do you plan to undertake during all phases of the Project? Are you aware of any Indigenous community concerns in relation to this project in addition to the requesters' letters? If yes, provide an overview of the key issues and the way in which (in general terms) you plan to

address these matters?

Response:

6(a) Montem's Commitment and Approach to Engagement with Indigenous Peoples of Canada

Montem recognizes and respects the rights and cultures of Indigenous peoples. Montem commits and strives to seek meaningful and sustained relationships with all Indigenous Peoples potentially impacted by our Projects. Montem is committed to exceed the consultation requirements introduced under any regulatory regime.

Montem is committed to engaging and consulting with Indigenous communities from project initiation until the reclamation and closure requirements are completed. Montem aims to address concerns raised by Indigenous groups, including Treaty and non-Treaty groups. Montem acknowledges the importance of building relationships based on mutual respect and trust with Indigenous groups who have recognized Treaty Rights, or whose traditional land use activities could potentially be affected by the Project's activities.

Montem has adopted the following engagement principles:

- Acknowledge and respect the Treaty and Constitutional Rights of Indigenous peoples;
- Respect the unique history, diverse culture, values, and beliefs of Indigenous peoples;
- Acknowledge the need to pursue meaningful and respectful consultation with Indigenous groups;
- Recognize the importance of collaboration with Indigenous groups to identify and respond to their issues and concerns; and
- Respect concerns and issues expressed by Indigenous communities and attempt to incorporate
 and/or address these as much as possible within project design process, as well as within
 the environmental assessment processes, including mitigation, monitoring and reclamation
 activities.

Montem's approach to engagement with Indigenous peoples includes the following activities:

- Initial engagement
 - Initial project
 - Project information share
 - Meetings and discussion
 - Invitation for site tours
- Ongoing engagement
 - Ongoing project updates
 - Project information share
 - Meetings and discussions
 - Invitation for Traditional land use studies and ecological knowledge studies
 - Invitation to review for input on wildlife, water, vegetation and other ecological concerns management and mitigation plans
 - invitation of ongoing traditional value or ecological monitoring
 - Employment opportunities
- Closure
 - Ongoing project updates
 - Project information share
 - Meetings and discussions
 - o Concept at this time is to understand if Montem has achieve our agreed upon reclamation and land use intentions and goals

6(b) Identification of Indigenous Communities for Engagement and Consultation for the Project

Montem's Indigenous Engagement and Consultation Plan for the resumption of mining at Tent Mountain identified Indigenous groups potentially impacted within Alberta and British Columbia. In cooperation with regulators, Montem took steps to properly and adequately identify Indigenous groups that Through may potentially affected by the Project. this process, Province provided direction to Montem regarding which Indigenous groups to direct the delegated aspects of the consultation process. In addition, Montem included those Indigenous groups identified in the recent Grassy Mountain-Benga Mining Project to ensure Montem had included all Indigenous groups with an interest in coal mining in the Crowsnest Pass.

In June, 2019, Montem's application for a miscellaneous surface lease (MSL) on the Crown portions of Tent Mountain Mine in Alberta initiated the Alberta Consultation Office (ACO) Crown consultation requirements for the Project. The approved consultation plan for the MSL application included the entire mine and its infrastructure. All five Indigenous groups identified within the Treaty 7 territories were identified for the ACO consultation process. Montem has included other Nations based on the recent coal mining application review process (Grassy Mountain – Benga Mining) and the fact that the Project also has a small area of potential treaty and traditional considerations for Montem's operational areas in British Columbia.

The potentially affected Indigenous groups identified for engagement include the following:

- Blood Tribe (Kainai Nation)
- Piikani Nation
- Siksika Nation
- Stoney Nakoda Nations (Bearspaw, Chiniki and Wesley)
- Tsuut'ina Nation
- Ktunaxa Nation
- St. Mary's Indian Band
- Lower Kootenay Indian Band
- Tobacco Plains Indian Band
- Akisq'nuk First Nation
- Samson Cree Nation
- Shuswap Indian Band
- Foothills Ojibway First Nation
- Métis Nation of Alberta
- Métis Nation of British Columbia

6(c) Steps Taken with Indigenous Communities To Date

Engagement with Indigenous groups was initiated in 2018 and continues today. Montem's approach to engagement includes information sharing, community consultation, assessment of potential Project effects, avoidance and mitigation and supporting actions and tasks. The overall intent of Montem's strategy is to engage with potentially impacted Indigenous groups during the entire lifecycle of the mine form exploration to reclamation and closure. Montem has committed and will continue to ongoing engagement and consultation for the Tent Mountain Mine resumption throughout its life cycles.

Montem uses a variety of effective communication tools to ensure that Indigenous groups are informed about the Project, are aware that their concerns will be addressed, and to see that the Key Initiatives are met. The tools Montem has been using include:

- Letters official communications to Chiefs and Councils, or their identified designates, which may include background information, project information, maps, and requests for meetings;
- Project Information Packages including approved Plain Language Description, additional maps, PTOR, TOR, and Project Applications/EA Reports;
- Clear, user-friendly, and relevant Project-related information to each Indigenous group on a timely and ongoing basis throughout the life of the Project, which will enable identification of potential Project specific issues and concerns;
- Ensure Indigenous groups have appropriate time to review any Project-related information, assess the potential adverse effects of the Project on aboriginal and treaty rights and traditional uses, and the opportunity to prepare and submit their issues and concerns
- Meetings with Chiefs and Councils or their designates;

- Open Houses, Elders sessions, or other community meetings;
- Newsletters with Current Project progress to date;
- Information on upcoming outreach events; and
- Company and regulator contact information.

6(d) Issues and Concerns Raised to Date and Montem's Plan to Address Them

During the course of Indigenous engagement and consultation, Montem expects that specific concerns will be identified, and attempts will be made to mitigate these concerns as much as possible. Issues may also be identified farther along in the process as the relationships with specific Indigenous groups develop, and information is shared among all parties.

During our discussions, field tours and traditional studies completed thus far, Montem has received a number of issues and concerns. Montem has provided **Table 8** below outlining concerns, Montem's immediate response as well as a longer-term view and commitment to addressing issues and concerns. Where possible, Montem endeavours to avoid, mitigate or accommodate concerns received from the Indigenous communities it is working with.

Table 8: Issues and Concerns Raised to Date and Montem's Plan to Address Them.

Indigenous Concern	Montem Immediate Response	Montem Commitment
Tent Mountain Mine Project Impacts to Indigenous Rights such as the right to hunt, fish, gather and trap	Montem acknowledges the concern with potential development in traditional territory Montem in agreement that understanding Traditional Use impacts are an important factor and will support field studies to better inform on potential impacts of proposed developments Montem is open to allowing access for seasonal hunting and gathering activities within the limits of safety protocols for the mine, including access outside of operations areas with an escort on mine property	Montem is committed to providing agreed upon funding and support to complete Land use and Ecological knowledge studies for the Tent Mountain Mine for impacted and interested Indigenous Peoples At the end of mine life, Montem commits to incorporating the results of the studies into reclamation planning where feasible Ongoing participation will ensure when the land is returned to support exercising traditional rights
Potential for Tent Mountain project to adversely impact Indigenous rights to carry out practices reasonably incidental to the rights above (hunt, fish, gather, trap; transmit traditional knowledge)	Montem is committed to continuing to engage and consult on all proposed developments to better understand potential impacts	Montem commits to understand the potential incidental rights and avoid and mitigate where feasible
Potential for Tent Mountain project to adversely impact Indigenous' right to transmit traditional knowledge to subsequent generations	Montem is committed to continuing to engage and consult on all proposed developments to better understand potential impacts	Where feasible Montem commits to Indigenous Peoples support to continued traditional knowledge transmission. A valued cultural tradition
Concern with ongoing loss of access to the Tent Mountain mine area and the dislocations of Aboriginal and Treaty Rights in the area	Montem is able to continue to allow access to areas of the mine property outside of active operations areas in accordance with safety protocols for continued use by Indigenous members for traditional activities	Tent Mountain Mine is a continuance and not a new impact. Montem acknowledges that the full understanding of potential impacts is still being studied and communication is open to receiving information

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		about those impacts
		The project provides an opportunity to appropriately reclaim the site and provide valued ecological trajectory that what is on the landscape at this time.
Concern with level of regulatory review and consultation being carried out for the proposed coal developments	Montem acknowledges the concern with potential development in the traditional Indigenous territory Engagement will be carried out at all stages of the regulatory process with the intention of	Montem's long-term strategy with Indigenous engagement continues throughout the entire mine life through to providing the lands back for traditional uses. Montem commits to engagement and consultation beyond the
	following a more fulsome engagement process beyond the regulatory minimum	prescribed Aboriginal Consultation Office process
	Montem has agreed to continue negotiation to establish a process agreement to facilitate ongoing consultation efforts	Montem is pursuing Impact Benefit Agreements with Indigenous Peoples that are interested in long-term relationships
Concern with Cumulative effects impact of proposed coal developments in the Crowsnest Pass, including Montem projects, within	Montem is committed to continuing to engage and consult on all proposed developments to better understand potential impacts discuss cumulative effects	Cumulative effects, ecologically speaking and with Indigenous Rights are a significant portion of the Provincial EIA
traditional territory of Indigenous Peoples	management framework planning	Indigenous input will be sought once the EIA is completed and prior to submission.
Concern with regulatory change between BC and Alberta jurisdictions and Montem's lease on the BC side	Montem will share information and permits related to operations within both BC and Alberta jurisdictions	Tent Mountain Mine already has existing cross border disturbances the mine plan concept will be further refined as mining progresses. The potential impacts between AB And BC are included in the provincial EIA. Montem commits to keeping all Indigenous Peoples informed and where appropriate involved in the regulatory processes. Montem commits to following all prescribed regulatory requirements for the permitting processes and when in operation.

Environmental baseline studies	Provincial regulation,
for Tent Mountain are ongoing to	management plans and protective
identify potential impacts	areas are adequate for enforcing
	developmental requirements
Montem is open to opportunities	regarding Grizzly, Sheep and Goat
to involve in development of	as well as Caribou
management plans for wildlife	
and will share reporting and	Montem has included species of
planning documents as available	Indigenous concern in the EIA as
	well as continued development of
	management and mitigation plans
	Montem will further evolve our
	existing Wildlife Management
	plans to include results of
	traditional studies
	This project is an opportunity to
	enhance the habitat requirements
	of these species of concern
Montem is in support of	Montem in preparation for
	regulatory applications has
	developed a compressive water
use studies for Tent Mountain	and Selenium management plan
Mine to better understand	
potential impacts and identify	The Selenium management plan
1	goal is to achieve or better the
	proposed mining effluent
Environmental Baseline studies	regulation proposed by ECCC
are ongoing to identify and avoid	
negative impacts to waterways	The water management plan
	being proposed within EIA and
	Alberta regulatory applications,
	manages both historical impacts
	and the potential impacts the
	resumption activities may
	resumption activities may
	for Tent Mountain are ongoing to identify potential impacts Montem is open to opportunities to involve in development of management plans for wildlife and will share reporting and planning documents as available Montem is in support of Indigenous Peoples carrying out field studies including traditional use studies for Tent Mountain Mine to better understand potential impacts and identify mitigative actions Environmental Baseline studies are ongoing to identify and avoid

Water quality is a significant concern, it was noted that the project is within the Elk Valley watershed and the property has outstanding legacy issues that will need to be addressed

Water quality is of additional importance as the outflows are transboundary (provincial and national) and impacts will have potential repercussions outside of the provincial regulatory management area

Water quality assessments for Corbin Pond were also specifically addressed

Montem noted that selenium management planning was an integral part of the water quality management program for the project planning

Tent Mountain Mine BC water management impoundment (Corbin Pond) was recently amended to include requirements of the Elk Valley Water Management strategy. Montem adopted many of the updated requirements prior to the amendment began finalized.

Montem acknowledged and planned the mitigation of Selenium from the mine plan beginning. The Selenium management facilities will be implemented prior to active resumption of mining to management upfront, the historical influence. The facilities will be maintained throughout the mine life and until seems appropriate to reclaim.

Need for on site field studies to identify potential impacts to traditional use activities

Historic use of the Crowsnest Pass, especially historic use as a travel corridor, are welldocumented historic use sites and heritage sites are of interest (cart trails, navigable waterways are environments of interest) Montem in in support of potentially impacted Indigenous Peoples carrying out field studies including traditional use studies for Tent Mountain Mine to better understand potential impacts and identify mitigative actions

Montem is committed to providing agreed upon funding and support to complete Land use and Ecological knowledge studies for the Tent Mountain Mine for impacted and interested Indigenous Peoples

As knowledge is shared, Montem commits to incorporating mitigation measures where appropriate

Historic resources studies are ongoing and will addressed in the provincial EIA

Requested that Montem participate in cultural training beyond just senior management, need to develop a plan to communicate cultural training information to contractors and other workers on site	Montem is open to engaging in cultural training process and will support planning to disseminate cultural training program to contractors and staff	When COVID restrictions are lifted, cultural training is of utmost importance to Montem and its staff Montem commits to learning and understand where opportunities exist to incorporate Indigenous awareness training to all employees and contractors working on Montem sties Montem is committed to providing employment opportunities of indigenous Peoples
Interest in economic and employment opportunities	Montem would like to support through contract opportunities and employment training and job fairs as available	Montem is committed to providing ongoing opportunities For interested parties, more formal agreements are being pursued
Impacts to vegetation important for traditional activities	Plans for additional field studies to inform on potential impact to traditional use activities and propose mitigation strategies	Vegetation values are addressed in the Provincial EIA As specific informing of Indigenous valued vegetation is share, the information will support the evolving mitigation plans
Access to project area for harvesting traditional use plants Harvesting ceremonial plants and availability of harvesting opportunities for traditional use vegetation	Montem will accept requests for access to project areas for harvesting based on seasonal access and safety concerns in operation areas	Montem has committed to Indigenous harvesting prior to the commencement of construction
Potential impacts to wildlife in the larger region and the importance of wildlife to traditional activities	Montem is carrying out environmental studies and would like to work with Indigenous Peoples to plan for additional field studies to inform on potential impact to traditional use activities related to wildlife and propose mitigation strategies	Potential impacts to wildlife is addressed in the forthcoming EIA and integrated application Montem commits to ongoing wildlife studies

Impact on water throughout project areas is of concern for aquatic species and water quality Water quality and effects on fish populations, particularly sensitive species such as cutthroat trout (avoidance of particularly sensitive waterways)	Environmental baseline studies ongoing to determine potential impacts to water Avoidance of impacts to waterways is a significant component of Montem's project planning and all current best practices are being followed to minimize potential impacts Water quality management is a signature component in Montem's environmental planning and protocols will be followed in line with the Elk Valley watershed management policy	Potential impacts to water quality, quantity and aquatic health are addressed in the forthcoming EIA and integrated application Mitigations plans for management mine affected water is completed, and further mitigation strategies are under development
Concern with potential impact on water and the watershed	Montem will provided watershed mapping information and water monitoring results for review Montem has included mitigative planning to reduce impact on water and minimize negative impacts as part of their project planning and is following all best practices for water management	Potential impacts to water quality, quantity and aquatic health are addressed in the forthcoming EIA and integrated application Mitigations plans for management mine affected water are completed, and further mitigation strategies are under development
During the site tour of Tent Mountain Mine, an interest was raised regarding the historic impact to the area from previous mining operations and the change over time	Montem will provide previous development information through historic photos of mining activities and pre-disturbance landscape	Since Montem purchased Tent Mountain Mine, it has supported a study that captures the historic impacts of the landscape and Montem will continue this commitment Montem is confident that a plan to achieve equivalent land capability with suitable biological diversity is possible
Impact on areas of ancillary facilities such as the rail load out area are of interest and a request was made to assess these areas as well	Montem will assist in arranging a site visit to land for the load out area in agreement with CP Rail who control that area	Ongoing field studies have included and will continue to include all potentially impacted areas

Water use on site and water sourcing for operations (Pit 4 for water use)	Water will be drawn from Pit 4, the existing on-site end pit lake that has minimal connection with external waterways	Montem is committed to using available technology to minimize the use of water in processing as well as recycled as much water as possible. Pit 4 water has been modeled and Montem has a strong understanding of the potential impacts of using the water for processing The end landform and progressive reclamation should be a sustained increase in available water to the watershed
Dust is a concern for community members who have previous experience with mining impacts	Wind breaks will be used for dust control and the load our area will be enclosed to manage dust. Environmental management strategies will be used following Australian procedures which are more stringent than current Canadian regulations	Air quality modeling is underway for the entire facility Dust mitigation plans are in development will be addressed in the EIA report and integrated applications
Is there a selenium management plan that will be part of the development plan	The existing waste rock pile has been monitored by Montem and selenium has been detected Montem intends to develop selenium management strategies for the existing waste rock and to reduce impacts	A selenium and nitrate specific management plan has been developed Baseline specific and regular water quality monitoring is ongoing
Highway traffic impacts with increased traffic: potential twinning of Highway 3		A traffic study has been completed. Discussion with the team heading the HWY 3 twinning have occurred
Opportunities for community involvement in environmental studies	Water quality management is a signature component in Montem's environmental planning and protocols will be followed in line with the Elk Valley watershed management policy	Where feasible, Montem commits to include Indigenous Peoples in environmental studies Opportunities of ongoing monitoring studies are in development

Montem Resources Tent Mountain Project Information Request No. 7 March 30, 2021

Topic: Potential Public and Indigenous Effects

Request: The Agency request available information regarding any other comments in relation to

environmental effects or impacts (positive and negative) to the public or Indigenous

peoples and how you intend to address and manage those?

Montem's Response:

7(a) Positive Impacts from the Project to the Public

The Provinces of Alberta and British Columbia holds some of the world's highest quality steelmaking coal with ready international markets for our exports. Coal mines in this area operated for decades providing industrial wages that support the economic and social fabric of local communities. The industry employs large numbers of skilled employees directly at individual operations, typically for decades, and generates significant indirect employment through the purchase of supporting goods and services. It also contributes significant royalties over and above the other taxes contributed to municipalities and the Province. Finally, the industry has attracted international interest bringing new investment to the Province with the promise of even greater investment as mines are developed.

Montem is committed to the responsible development of the metallurgical coal resources that we have secured. The restart of the Tent Mountain Mine will support approximately 200 construction jobs, and during mining operations an additional approximately 190 full-time jobs will be created, across a range of skill sets, over an expected mine life of 14 years. When operating at capacity the Tent Mountain mine will spend approximately \$115 million annually, with the majority of those expenses being spent in Alberta. A series of taxes and royalties to the local municipality and to Alberta, as well as corporate taxes to Canada will be generated. Furthermore, creating these jobs generates income tax, and these direct employment figures create multiple more jobs to the industries that provide goods and services to the mine, and to the people who are work there.

7(b) Positive Impacts from the Project on Indigenous Peoples

The Tent Mountain Mine is an existing mine, with the necessary provincial permits, leases and other operating approvals already in place. The mine site is partially located on Crown lands that have been effectively taken up many years ago and the Indigenous peoples in the area have not been able to access the mine permit area for the purposes of exercising rights or traditional uses ever since. Montem has started engagement and will continue to engage with the historically impacted Indigenous communities to provide input into and participate in the reclamation planning for the Project and to facilitate a return of their access and enjoyment of these lands upon completion of the Project.

Montem is also committed to developing economic opportunities throughout the life cycle of the mine for interested Indigenous communities. The resumption of mining at Tent Mountain Mine offers the opportunities of training, employment, and Indigenous contractor inclusion. Montem is actively pursuing

Impact Benefit Agreements (**IBA**) with interested communities to further align with its commitment and the opportunities presented by the resumption of the mine.

Finally, Montem will continue to operate as an ethical organization that is committed to fulsome engagement with all rights-holders and interested parties in our Projects. We believe that the resumption of mining at Tent Mountain and its eventual completion of that Project presents a real opportunity to return this historical mine site to a useful and a significantly better ecological state, which will benefit both Indigenous and local communities

Montem Resources Tent Mountain Project Information Request No. 8 March 30, 2021

Topic: Montem's Views on Designation under IAA

Request: The Agency requests that Montem explain its views on whether the Project should be

designated under IAA.

Montem's Response:

Montem is of the view that the Project should not be designated under section 9(1) of the *Impact Assessment Act*. The potential for "adverse direct or incidental effects, or public concerns related to those effects" in the areas of federal jurisdiction and the specific concerns raised by Kainai First_Nation and Siksika First_Nation ("Kainai" and "Siksika") will be adequately addressed through the following:

- Project design;
- The application of standard mitigation measures;
- Provincial regulatory processes including the EIA and the AER process;
- Existing provincial legislative mechanisms that the Project will be subject to as a part of the EIA and AER processes, including compliance with Alberta's Water Act, Environmental Protection and Enhancement Act, and Coal Conservation Act; and
- Compliance with existing federal legislative mechanisms that the Project will be subject to including under the Fisheries Act, Migratory Birds Convention Act, and Species at Risk Act.

Further, with respect to section 9(2) of the *Impact Assessment Act*, Montem has considered the potential for the Project to cause adverse impacts on Aboriginal and treaty rights that are recognized and affirmed by section 35 of the *Constitution Act*, 1982 and is of the view that existing provincial and federal legislative mechanisms and the provincial EIA and AER processes will include consideration of such impacts. These provincial processes include mechanisms for consultation with Indigenous peoples and will address the potential adverse effects and specific concerns being raised by Kainai and Siksika.

8(a) Specific Responses to Kainai and Siksika's Designation Requests

Montem was provided with Siksika and Kainai's March 2, 2021 designation requests which raised the following concerns with respect to the Project:

- Coal production capacity close to the threshold for federal review;
- Proximity to other proposed coal projects in the area;
- Location in an environmentally or otherwise sensitive location;
- Potential to cause adverse effects in areas that fall within Federal jurisdiction;
- Potential impact to their rights
- Transboundary effects;
- Cumulative effects; and
- Use of baseline data.

8(b) Coal production capacity close to the threshold for federal review

Kainai and Siksika outlined their view that the Project should be designated for federal review because it is designed to release a maximum 4,925 raw tonnes per day, which is close to the 5,000 tones per day threshold set out in the *Physical Activities Regulations* (the "**Regulations**").

The Regulations identify the physical activities that constitute designated projects. The Regulations include coal mine expansions that would result in an increase in the area of mining operations of 50 percent or more and a total coal production capacity of 5,000 tonnes per day or more after the expansion. The Project will increase the area of mining operations by 38.6% and produce 4,925 raw tonnes per day. The Project's proposed operations fall below both thresholds set out in the Regulations.

In addition to being below the thresholds set out in the Regulations, the Tent Mountain Mine has a significantly smaller coal production capacity than other mine projects that have recently been designated for federal review by the Minister. For example, the Castle Project in British Columbia would increase the area of mining operations by 36% and would have a production capacity of 27,400 tonnes per day. The Coalspur Mine Ltd. Vista Coal Underground Mine and Expansion Activities Project was designated as it would increase the area of mining operations by 0.2% and have a coal production capacity of 21,508 tonnes per day after the expansion and the Vista Underground Mine, in combination with the Phase II Project would result in an increase in the area of mining operations between 42.7 and 49.4% with a total coal production capacity of 18,683 tonnes per day. Based on the foregoing, it is submitted that the Project is not nearly of the same magnitude as either of these projects and should not be designated.

Finally, the designation requests suggest that the production capacity for the Project was set below the 5,000 tonnes per day threshold in a deliberate attempt to avoid a federal assessment. That is not the case. Mine operations were designed to release the maximum daily rate over the anticipated operating schedule dictated by the design capacity of the CHCP. The production capacity level is based on work conducted by the independent engineering consulting company Sedgman Canada Ltd., which specializes in coal handling and plant design. The design calls for maximum operations of 7,200 hours per year, with remaining hours being required for maintenance, and will peak at a raw coal feed rate of just under 1.8 million tonnes per year. This design sets the design plant capacity at a maximum of 4,925 tonnes of raw coal feed per day. The mine, mobile equipment and raw coal handling facilities are designed to accommodate this production capacity.

8(c) Project's proximity to other proposed coal projects in the area

Kainai and Siksika raised a concern regarding the Project's proximity to other coal projects in the area, specifically to North Coal's proposed Michel Coal Project, and the impact this would have on the coal production in the area and related environmental impacts.

¹ See Analysis Report, Whether to Designate the Castle Project in British Columbia Pursuant to the Impact Assessment Act, Impact Assessment Agency of Canada, August 19, 2020.

² See Analysis Report, Whether to Designate the Coalspur Mine Ltd. Vista Coal Underground Mine and Expansioin Activities Project in Alberta Pursuant to the Impact Assessment Act, Impact Assessment Agency of Canada, July 30, 2020.

There is no legal or policy justification for considering the potential impacts of the Project together with the proposed Michel Coal Project as if they were one project. The proposed Michel Coal Project is on a considerably different timeline than the Project and is a separate and distinct project.

Any potential cumulative effects that may arise due to the Project's proximity to any other existing or proposed projects, including the proposed Michel Coal Project, will be appropriately accounted for and addressed in the cumulative effects assessment under the provincial EIA.

8(d) Location in an environmentally or otherwise sensitive location

Kainai and Siksika raised a concern that the Project is located in an environmentally sensitive area, specifically, in the Livingstone Hills Land Management Zone protected by the Livingstone Porcupine Hills Footprint Land Management Zone, and that this is an ecologically significant area that comprises the headwaters of North America's three great watersheds.

The Project will be fully complaint will all provincial and regional land use plans. Detailed assessments of areas identified as environmentally significant and of significant importance to Indigenous peoples and Albertans will be completed as part of the provincial EIA and AER processes. These processes include mechanisms for consultation with Indigenous peoples and will address the potential adverse effects and specific concerns being raised by Kainai and Siksika.

Further, any applicable direction provided in the Livingstone-Porcupine Hills Plan will be considered and addressed in the provincial EIA and incorporated into Montem's operations for the Project.

8(e) Water quantity concerns

Water quantity concerns were raised by Kainai and Siksika.

The Project intends to use the stranded water in Pit 4 for consumptive use and not draw from one any of the Oldman River watershed tributaries. Montem is also proposing a water conservation and minimization program for the CHPP mine operations and overall water uses.

The EIA and AER provincial regulatory processes the Project is undergoing include compliance with Alberta's *Water Act*, the primary regulatory mechanism for water quantity and water allocation issues in Alberta. Further, any potential impacts to local groundwater and the watershed will be assessed and accounted for as a part of the provincial EIA.

8(f) Water quality concerns

Water quality concerns were raised by Kainai and Siksika and of specific concern to Kainai as the Oldman River Basin provides drinking water for Kainai members living on Kainai's reserve lands.

The operational and closure release quality parameters for mining operations are regulated under EPEA. Montem will be seeking amendments to its existing EPEA operating approval for the Project. Montem's operational planning currently underway indicates that Montem will be able to meet or exceed all known provincial water quality standards. Montem is proposing to manage mine water discharges to specific control systems where water quality will be monitored and controlled.

In addition to meeting or exceeding the Provincial standards, Montem is committed to achieve compliance with the draft *Coal Mining Effluent Regulation* (CMER) under the *Fisheries Act*. The CMER is a federal water quality release standard currently under development

Further, detailed assessments will be completed as part of the provincial EIA process including for any water quality and water quantity issues. Water quality impacts will be mitigated, and even improved, by a modern water management regime that meets or exceeds the licensed requirements.

Finally, the EIA and AER provincial regulatory processes the Project is undergoing includes compliance with the Alberta *Environmental Protection and Enhancement Act, Water Act, Coal Conservation Act,* and the *Public Lands Act.* These processes include mechanisms for consultation with Indigenous peoples and will further address the potential adverse effects and specific concerns being raised by Kainai and Siksika including potential impact to Kainai's drinking water.

8(g) Potential to cause adverse effects in areas that fall within Federal jurisdiction

Kainai and Siksika raised concerns that the Project may cause adverse effects to a number of resources that fall within the jurisdiction of the federal government, including fish and fish habitat, migratory birds and wildlife and wildlife habitat including SARA.

The following addresses potential effects from the Project under federal jurisdiction:

• Fish and Fish Habitat

The Project does not create a harmful alteration, disruption or destruction (**HADD**) of any fish or fish habitat. There is therefore no licence, permit, authorization or approval required for fish or fish habitat effects. In addition, any releases into water will meet or exceed provincial standards. Accordingly, there is no risk of a release of an unauthorized deleterious substance under section 36(3) of the *Fisheries Act*.

There are no federally listed aquatic species at risk that will be directly affected by the Project including Westslope Cutthroat Trout or the Bull Trout. Any releases from the Project will be to the Crowsnest or the East Crowsnest creeks, which is located above a natural fish barrier. Neither of these creeks are fish-bearing waters.

Migratory Birds

Montem will ensure that all operations comply with the *Migratory Birds Convention Act*. There are therefore no effects planned or authorizations needed for the Project.

Wildlife and Wildlife Habitat including SARA

The Project does not create any new, significant effects to wildlife and wildlife habitat as a result of the resumption of activities.

There are temporary effects anticipated to wildlife and wildlife habitat during the Project operations (e.g. from noise, dust and traffic) that will be regulated by the EPEA operating approval.

The only potential direct impact to a SARA listed vegetation species is to Whitebark Pine, which is located within future activity areas within the Project area. Whitebark Pine is also considered 'endangered' under the Alberta *Wildlife Act*. Montem will comply with all applicable SARA requirements as well as the Alberta Species Recovery Plan.

8(h) Potential impacts to Kainai and Siksika's Rights

Kainai and Siksika raised concerns with respect to the Project's potential to cause adverse impacts to their ability to exercise their Aboriginal and Treaty rights.

The Tent Mountain Mine is an existing mine with the necessary provincial permits, leases and other operating approvals already in place. The mine site is partially located on Crown lands that were effectively taken up many years ago with the issuance of the mine permit and Indigenous peoples have not been able to access the mine permit area for the purposes of exercising rights and traditional use ever since.

Montem has started engagement and will continue to engage with the impacted Indigenous communities to provide input into and participate in the reclamation planning for the Project and to facilitate a return of their access and enjoyment of these lands upon completion of the Project.

In addition, the provincial EIA and AER processes include consideration of potential adverse impacts on the rights of Indigenous peoples and will assess any potential impacts to Kainai and Siksika's rights and interests.

8(i) Transboundary Impacts

Kainai and Siksika raised concerns regarding the Project's potential to cause environmental changes across the Alberta and British Columbia border.

Montem acknowledges that the Project may have small direct and/or cumulative effects across provincial borders (e.g. air, noise, wildlife). However, this is not a reason for the Project to be designated under the *Impact Assessment Act*. Any transboundary effects (including air emissions, wildlife, etc.) will be properly assessed as part of the provincial EIA process and can be mitigated through project design or the application of standard mitigation measures. This includes any potential water quality effects associated with selenium (and other components) and any potential adverse effects on local or regional wildlife.

The Project is not an interprovincial project but rather, requires provincial approvals both in British Columbia and Alberta as there are existing pits that extend across the Alberta and British Columbia border. The Project is already permitted in British Columbia and no additional permits or authorizations are required to restart the Project in British Columbia. Only Alberta applications are being made at this time. Montem is aware that the AER and the British Columbia Ministry of Mines are in contact and sharing information.

8(j) Cumulative effects

Kainai and Siksika raised concerns regarding the Project's cumulative effects.

The draft Terms of Reference for the Alberta EIA includes a comprehensive assessment of the cumulative effects of the Project. The cumulative effects of the Project, including all current, proposed and available planned development in the regional study area will be addressed in the cumulative effects' assessment as part of the provincial EIA process. The regional study area for the cumulative effects' assessment will, appropriate to the disciplines, include British Columbia projects. Accordingly, there is no need for an additional federal cumulative effects' assessment.

8(k) Use of Baseline Data

Kainai and Siksika outlined concerns that the baseline data used for project assessment should not reflect a previously disturbed mine that operated for decades, but the site before mining began.

The Project is proceeding on a previously disturbed site made up of both private and crown lands that were subject to an EIA in the 1970's. A small area of new disturbance is being proposed. The accepted methodology for baseline data gathering in preparation for an impact assessment is to gather the "existing" baseline data prior to the activity of the Project. The proposed reclamation of the Project will promote the creation of equivalent land capability with restored ecological processes as approved by the Government and engaged rights holders.

8(I) Conclusion

Montem reiterates its view that the Project should not be designated under section 9(1) of the *Impact Assessment Act*. The Project is undergoing comprehensive provincial EIA and AER processes and any potential for adverse direct or incidental effects, or public concerns related to those effects, any potential impacts on Aboriginal and treaty rights that are recognized and affirmed by section 35 of the *Constitution Act*, 1982, and the specific concerns raised by Kainai and Siksika will be accounted for and addressed by these processes.

Further, the Project must comply with existing provincial legislative mechanisms including Alberta's *Water Act, Environmental Protection and Enhancement Act, Wildlife Act* and *Coal Conservation Act* and federal legislative mechanisms including the *Fisheries Act, Migratory Birds Convention Act,* and *Species at Risk Act*. Any concerns that may have potential to fall within federal jurisdiction will be captured by these legislative mechanisms and the provincial EIA and AER processes.

Montem is committed to addressing any potential concerns or impacts that may arise as a result of the Project though project design, the application of standard mitigation measures, and meaningful engagement with all potentially impacted Indigenous groups and stakeholders.