



WESTMORELAND COAL COMPANY - *Obed Mountain Mine*

EPO 2013/ CR-34
Obed Mountain Mine
Monthly Status Report - September 2016

Issued October 7th, 2016

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1.0 MONTHLY STATUS REPORT – SEPTEMBER 2016

On November 19, 2013, Alberta Environment and Sustainable Resource Development ("ESRD") issued Environmental Protection Order No. EPO-2013/34-CR, as amended (the "EPO"), to Coal Valley Resources Inc. ("CVRI") and Sherritt International Corporation in respect of the Obed Mountain Mine (the "Mine"). Oversight of the EPO transferred from ESRD to the Alberta Energy Regulator ("AER") in March 2014. CVRI became a subsidiary of Westmoreland Coal Company in April 2014.

The following documents are submitted in support of the June 2016 Monthly Status Report:

1. Attachment 1 - September 2016 Data Sonde

2.0 EPO ACTIVITIES –September 2016

2.1 SUMMARY STATUS OF ASSESSMENTS, PLANS AND REPORTS

Table 1 summarises the current status of EPO required plans, assessments and reports. Clauses highlighted in green have been updated, modified or a status changed has occurred in the last thirty days.

TABLE 1 –SUMMARY STATUS

EPO 2013/CR-34 - Clause	Status	Comments
Clause 1 and 2 Immediate Requirements	Complete	Completed in 2013 -2014 Immediate response requirements were executed, the STMP and subsequent LTSMP ensures compliance of requirements on an ongoing basis.
Clause 3 Immediate and Short Term Sampling and Monitoring Plan ('STSMP')	Approved / Complete	The STSMP was executed and then replaced by the Long Term Sampling and monitoring Plan April 2014.
Clause 6 Solids Recovery Plan	Active / Approved /	Comments
Clause 10 Solids Recovery Report	Issued - Active	Updated and Issued January 2016. Updated Annually
Clause 11 Impact Assessment Plan	Approved / Active	The Impact Assessment Plan was approved April 24, 2015. Data collected under this plan has been communicated to the AER via Clause 15 Impact Assessment Report.
Clause 15 Impact Assessment Report	Active	Response to SIR's provided
Clause 17	Approved / Active	Active and ongoing.

Long Term Sampling and Monitoring Plan ('LTSMP')		
Clause 22 Wildlife Mitigation Plan	Approved / Active	Response to SIR's provided.
Clause 25(a) Fish Sampling and Monitoring Plan	Approved / Active	Response to SIR's provided.
Clause 27 Remediation Plan	Winter work plan In development.	Strategic meeting to define regulatory and contractor roles and responsibilities between agencies will be held in September. Winter work anticipated between November - February
Clause 34 Waste Management Plan	Approved / Executed	The subject plan was approved on February 14, 2014.
Clause 37 Wastewater Management Plan	Approved / Executed	The subject plan was approved on February 14, 2014.
Clause 39 Monthly Status Reports	Active / Ongoing	Monthly status reports are ongoing. August report submitted.
Clause 41 Final Report	In development	The Final Report is required to be submitted to the AER within 30days of the completion of all work.
Human Health Risk Assessment ('HHRA')	Active	SIRs response submitted to AH and accepted. Amended version will be posted to the Obed website on or before the 15 th of August 2016.

2.2 CLAUSE 15 – IMPACT ASSESSMENT REPORT

The updated / amended report was issued May 15, 2016. CVRI has responded to all received SIR's. SIR's were received from the AER and AEP. A copy of the report is available on the Obed website.

2.3 CLAUSES 17 – LONG TERM SAMPLING AND MONITORING PLAN ('LTSMP')

CVRI received approval of the Long-Term Sampling and Monitoring Plan retroactive to April 24, 2014. The Long-Term Sampling and Monitoring Plan is fully implemented and replaces the requirements outlined in Clause 3, the Immediate and Short Term Sampling and Monitoring Plan. The LTSMP is considered active and ongoing.

The Table below describes any actions related to data sonde operation or calibration to the end of September. It should be noted that beaver activity at PLC and PLC-US is affecting water quality at those stations, primarily turbidity. When the sondes are redeployed in the spring we may

need to find new locations for PLC and PLC-US; if new locations are required the selection spots will be discussed with the regulatory authorities prior to deployment.

Late September, early October we will begin pulling the sondes for their winter maintenance. As last year we will leave APC in over the winter as stream flow has continued in the previous winter seasons.

Site	Event Description	Date Range	Note
APC	Sonde calibration	30-Mar	Sonde out of water for 30 minutes
PLC-US	Sonde removal	18-Jan-16	Sonde removed for winter season and sent in for servicing
APC-DS	Sonde removal	9-Dec-15	Sonde was removed for winter season when found frozen. Sent in for servicing.
Plante Creek	Sonde removal	8-Dec-15	Sonde was not functioning, so removed and sent for servicing.
PLC-US	Sonde re-deployment	31-Mar-16	Sonde was redeployed after servicing
Plante Creek	Sonde re-deployment	31-Mar-16	Sonde was redeployed after servicing
Plante Creek	Sonde calibration	3-Apr-16	Sonde out of water for 30 minutes
PLC-US	Sonde calibration	4-Apr-16	Sonde out of water for 30 minutes
APC	Sonde calibration	16-Jun-16	Sonde out of water for 30 minutes
Plante Creek	Sonde calibration	16-Jun-16	Sonde out of water for 30 minutes
PLC-US	Sonde calibration	14-Jun-16	Sonde out of water for 30 minutes
PLC-US	Sonde error	1-Jun-16	Wildlife chewed through data cable, cutting power off to sonde

PLC-US	Sonde error	22-Jun-16	Wildlife chewed through data cable, cutting power off to sonde
APC	Sonde calibration	6-Jul-16	Sonde out of water for 30 minutes
APC	pH probe changed	6-Jul-16	pH probe had malfunctioned, was changed out with a new probe
Plante Creek	Sonde calibration	4-Jul-14	Sonde out of water for 30 minutes
PLC-US	Sonde calibration	5-Jul-16	Sonde out of water for 30 minutes
PLC-US	Sonde error	5-Jul-16	Attempted to fix station. Wildlife had chewed through PT cable on June 22, and shorted irridium link. Irridium link sent to Hoskins for repair. Sonde left in creek to continue collecting data.
PLC-US	Sonde calibration	2-Aug-16	Sonde out of water for 30 minutes
PLC-US	Sonde error	2-Aug-16	Change cable after wildlife issue
Plante Creek	Sonde calibration	2-Aug-16	Sonde out of water for 30 minutes
APC	Sonde calibration	4-Aug-16	Sonde out of water for 30 minutes
APC	Sonde calibration	10-Sep	Sonde out of water for 30 minutes. PH sensor failure
Plante Creek	Sonde calibration	9-Sep	Sonde out of water for 30 minutes
PLC-US	Sonde calibration	9-Sep	Sonde out of water for 30 minutes

2.4 Clause 22- Wildlife Mitigation Plan

CVRI received approval of the Wildlife Mitigation Plan retroactive to April 24, 2014. The required data collected as part of the Wildlife Mitigation Plan has been included in the Final Impact Report submitted to the AER May 28th, 2015. Updates to wildlife Impact Assessments were incorporated into the May 15th, 2016 Impact Plan publication. CVRI has responded to all SIR's and awaits response from the AER.

2.5 FISH SAMPLING AND MONITORING PLAN

The data interpretation specific to the Fish Sampling and Monitoring was submitted to the AER as part of the Final Impact Report, May 28th, 2015. Sampling and monitoring as described in both the approved Wildlife Mitigation Plan and LTSMP continues.

2.6 CLAUSE 27 – REMEDIATION PLAN

An update to the Remediation Plan was submitted to the AER on May 28th, 2015. CVRI is currently developing a winter work strategy based upon feedback received from the regulatory agencies regarding the September 15th strategic planning meeting. Winter work in the Upper Apetuwon is planned and on track, pending approval of the design plan, for winter 2016/2017.

2.7 HUMAN HEALTH RISK ASSESSMENT (“HHRA”)

The HHRA, update was submitted to AH for review on May 18th, 2015. The HHRA was submitted to AH for review May 15, 2016. A copy of the most recent version can be found on the Obed website.

3.0 PLANNED EPO ACTIVITIES October 2016

1. Sediment trap / creek inspections as per monitoring plans; winterization of ST3
2. Continuation of the Upper Apetuwon creek design and implementation work. Continue with development of OMM Closure Plan and Upper Apetuwon Design recommendations.

4.0 SIR and COMMUNICATION UPDATES

CVRI continues to work to collect and submit data and information as prescribed by the approved plans. The submission of regularly scheduled progress reports and defined response periods allows CVRI and the AER to continue to communicate in a clear and effective manner until the final Impacts Report and Reclamation Report are submitted.

SIR's received from communities and regulators will continue to receive a letter detailing the planned response period / timeline.

- No SIR's received from the AER in September.
- No SIR's received from AEP in September.
- No SIR's have been received from First Nation Communities in September 2016.
- No SIR's were received from Department of Fisheries and Oceans (DFO) in September.

CONTACT INFORMATION

If you have questions regarding the information published, require data, information or would like to submit comments or questions please contact:

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Copies of all plans, data and reports can be accessed at www.Obed.ca