

EPO 2013/ CR-34
Obed Mountain Mine
Monthly Status Report – February 2018

Issued: March 7, 2018

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1.0 MONTHLY STATUS REPORT – FEBRUARY 2018

On December 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 ("Sherritt") in respect of the Obed Mountain Mine (the "Mine").

The Proponents, Sherritt and Prairie Mines & Royalty ULC ("PMRU", previously known as CVRI), submit the following Monthly Status Report as required by the EPO:

- Appendix 1 - February 2018 Data Sonde Data (Please note: data in monthly graphs are raw, uncorrected data. All data will be corrected applying standard correction methods using calibration records, field notes and water levels, data grading, and will be presented in the annual monitoring report).

2.0 EPO ACTIVITIES

2.1 FIELD WORK COMPLETED IN FEBRUARY

Table 1 summarizes EPO related field work that was completed in February 2018.

Table 1 Field Work Completed		
Location	Activity	Description
APC-1 to APC-3	Access and Laydown Development	After receiving sign-off on the Timber Salvage Committal, PMRU contracted a logging company to salvage all merchantable timber on required access and laydown areas (less than 1ha), as identified and related to the Remediation Design. The majority of the access is pre-existing and only required minor brushing and snow removal.
MTP and ECP	Water Management	Scair pipe installed between MTP and ECP in preparation for pumping/drawdown in advance of freshet.

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

The Proponents received approval of the Long-Term Sampling and Monitoring Plan (LTSMP) retroactive to April 24, 2014.

The AER will receive a copy of all data collected under the LTSMP on or before March 31, 2018. Questions regarding the data should be directed to the Proponents as listed in Section 4.

Table 2 below describes any actions related to data sonde operation or calibration to the end of February.

Table 2 Data Sonde Status (2018)			
Site	Event Description	Date Range	Notes
APC	Sonde calibration	31-Jan-18	SDI issue, crew returning February 2, 2018 to fix.
APC	Sonde Troubleshooting	2-Feb-18	Crew returned and fixed the identified SDI issued.
APC	Sonde calibration	13-Feb-18	Sonde calibrated, out of water for 30 minutes.

Note: the conductivity graph shows two periods where values drop to 0. These drops in values prompted the crew to return and deploy a new sonde. Field staff have been in direct contact with the sonde supplier, Hoskins, and have related the issues to frazil ice.

Also, there was a release event from approximately February 18 to 22 which shows an increase in turbidity and conductivity as well as a decrease in water temperature to below 0°C (-0.3°C to -0.4°C). It is suspected that the decrease in water temperature is due to a freezing point depression where the increased material in the water (as evidence from the increase in turbidity and conductivity over the same time period) allowed the water to cool below 0°C.

2.3 CLAUSE 27 – REMEDIATION PLAN

The following is an update of completed and planned activities as well as upcoming targets:

- The Remediation Design, Conceptual Design, was submitted to the AER on February 3rd, 2017.
 - The Proponent received and responded to SIRs from AEP, AER and DFO (GRA)
- A second set of Design Drawings were submitted on June 24, 2017.
 - The Proponent received a second round of SIRs from DFO (GRA) on July 12, 2017.
 - An updated survey of the disturbance area was requested at the time of the second round of SIRs and was completed in August 2017.
- Revised design drawings for APC-1 to APC-4 as well as the corresponding GRA SIR responses were submitted on October 20, 2017.
- Revised design drawings for APC-5 and APC-7 as well as the corresponding GRA SIR responses were submitted on November 6, 2017.

- The Proponent received SIRs related to the latest design drawings on January 16, 2018.
- Revised design drawings for APC-1 to APC-7 as well as corresponding images from APC-1 to APC-7, a Design Brief and responses to the GRA SIRs were submitted on February 23, 2018.
 - A technical face-to-face meeting with the EPO Technical Team, DFO, GRA, AER and AEP is scheduled for March 9, 2018.
 - The required DFO Authorization is currently being finalized with a proposed submission target of prior to the March 9th meeting.

2.4 HUMAN HEALTH RISK ASSESSMENT (“HHRA”)

Alberta Health Services will be provided a copy of all data collected in 2017 on or before March 31, 2018. Questions regarding the data should be directed to the Proponents as listed in Section 4.0.

3.0 PLANNED FIELD WORK MARCH 2018

The following outlines work planned for March 2018:

- **Access work:**
 - Continue minor access maintenance.
 - Additional winter access development and staging of material is dependent on both budget approval and upcoming regulatory discussions.
- **Pre-Freshet Water Management**
 - Equipment inventory and inspection
 - Acquisition of materials / equipment, if required; and staging of equipment
 - Pumping
 - If weather requires early season water management, pumps will be ready to complete necessary operations
 - Staff and Resource review

4.0 CONTACT INFORMATION

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

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The Obed website was updated monthly. The website includes copies of all plans, data and reports published to date and can be accessed at www.Obed.ca

Appendix 1: February 2018 Data Sonde Data





