



DEPARTMENT OF MINES AND PETROLEUM RESOURCES
MINES REGULATION ACT

PERMIT

AUTHORIZING SURFACE WORK

(Issued pursuant to section 11 of the *Mines Regulation Act*.)

Permit No. 11

Issued to Bethlehem Copper Corporation Ltd.

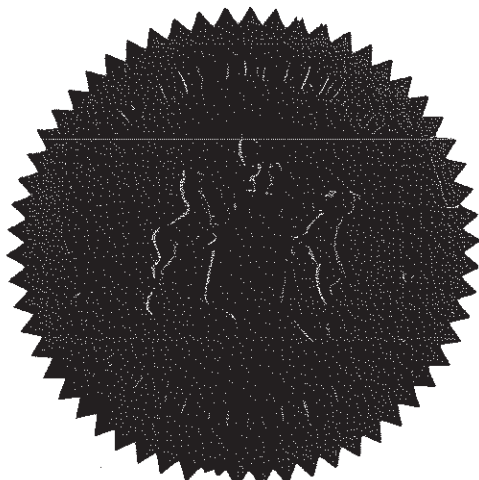
for surface work at the Bethlehem


mine(s).

Located at Highland Valley

and subject to the appended terms and conditions, all of which are applicable to this permit.

Issued at Victoria, British Columbia, this 20th day of January in the year 1970




Minister of Mines and Petroleum Resources.

TERMS AND CONDITIONS

1. This permit is issued subject to all the terms and conditions of section 11 of the *Mines Regulation Act*.
2. The permit is for a period of ~~three~~ (3) years. It is renewable on application, and upon evidence of satisfactory performance.
3. Pursuant to subsections (6) and (7) of section 11 of the Act, security as specified by Order in Council No. 155, approved on the 20th day of January, 1970, has been deposited with the Minister of Finance in the amount of seventy-five thousand dollars (\$ 75,000.00).
4. The report, dated September 23, 1969, as filed with the Minister pursuant to subsection (2) of section 11 of the *Mines Regulation Act*, together with all revisions and amendments thereto, and as approved by the Minister, is an integral part of this permit.

OTHER

5. Topsoil stripped from the surface shall be conserved, as feasible, for possible useage in the reclamation of disturbed areas.
6. The permittee shall carry out, to the satisfaction of the Chief Inspector of Mines, investigations and research covering:
 - (a) The location, stability, and erosion control of waste dumps, tailing ponds, and stockpiles.
 - (b) The protection and reclamation of watercourses.
 - (c) The reclamation of all disturbed areas.
7. The permittee shall, within 60 days of the issuing of the permit, submit to the Chief Inspector of Mines an outline of the investigations and research on reclamation to be carried out during the balance of the calendar year in which the permit is issued.
8. The permittee shall report to the Chief Inspector of Mines on the investigations and research on reclamation carried out during the calendar year, showing the results obtained therefrom. Such report is to be submitted by January 31st next following the end of the calendar year.
9. At the same time that the report is submitted under (8) above, the permittee shall submit detailed plans of the investigations and research on reclamation that will be carried out during the next calendar year.
10. When the investigations and research on reclamation have advanced to the stage where the permittee is able to submit detailed plans and programme for the reclamation of watercourses and disturbed lands, the permittee shall submit such detailed plans and programme to the Chief Inspector for his approval.
11. Upon approval by the Chief Inspector, such plans and programme shall become a part of the permit.

NOTE.—This permit applies only to the requirements under section 11 of the *Mines Regulation Act*. Other legislation may be applicable to the mining operations, and this permit in no way abrogates the responsibility and obligation of the permittee under such other legislation.

12. The approved plans and programme shall be carried out as provided for under Section 11 of the Mines Regulation Act, and as directed by the Chief Inspector of Mines.

May 30, 1973.

Mr. Thomas P. Liss,
Manager,
Bethlehem Copper Corporation Ltd.,
P.O. Box 520,
Ashcroft, British Columbia.

Dear Sir: Re: Section 11, Mines Regulation Act.
Renewal of Reclamation Permit No. 11.

By Order-in-Council No. 1531, approved by the Lieutenant-Governor in Council on May 9, 1973, your request for renewal of Reclamation Permit No. 11 has been extended for a three year period, dated January 20, 1973 to January 20, 1976.

In reviewing your Reclamation Reports for the next three years, it is noted that there is an increase in the acreage of disturbed land. Based on this increased acreage of disturbed land and the previous estimated cost per acre of land reclamation, there is an increase in bonding of \$25,000.00, which will increase the total bond to \$100,000.00 from \$75,000.00.

It will be necessary to forward the increase in bonding to the Minister of Finance as per Receipt and Agreement form. Upon receipt of the additional bonding a receipt will be issued which is to be attached to your Permit No. 11, and will advise that the Permit is in good standing until January 20, 1976.

The present terms and conditions as stated in your Permit No. 11 will remain in effect during the life of the permit unless otherwise changed under the authority of Section 11 of the Mines Regulation Act.

Please attach this letter to your Permit No. 11 as this will now be a part of your permit, subject to the receipt of the increase in bonding.

Yours very truly,

MINISTER



Province of British Columbia
Ministry of Mines and Petroleum Resources

MINES REGULATION ACT

PERMIT

AUTHORIZING SURFACE WORK

(Issued pursuant to section 11 of the *Mines Regulation Act*)

Permit No. M-11

Issued to Bethlehem Copper Corporation Limited

for surface work at the Bethlehem

mine(s).

Located at Highland Valley

and subject to the appended terms and conditions, all of which are applicable to this permit.

Issued at Victoria, British Columbia, this 3rd day of January in the year 1980


Minister of Mines and Petroleum Resources

TERMS AND CONDITIONS

1. This permit is issued subject to all the terms and conditions of section 11 of the *Mines Regulation Act*.
2. The permit is issued on a permanent basis. Bonding will be reviewed on an annual basis.
3. The report, dated **February 1979**, as filed with the Minister pursuant to subsection (2) of section 11 of the *Mines Regulation Act*, together with all revisions and amendments thereto, and as approved by the Minister, is an integral part of this permit.

4. Pursuant to subsections (6) and (7) of section 11 of the Act, security as specified by Order in Council No. **3100**, approved on the ... **14th** day of ... **December**, 19**79**, has been deposited with the Minister of Finance in the amount of
 **NIL** dollars (\$ **NIL**).
 bringing total of bonding in effect at this date to
ONE HUNDRED AND FIFTY THOUSAND dollars (**\$50,000.00**).

Further change in bonding is as noted below:

DATE	CHANGE	NEW CURRENT AMOUNT	AUTHORIZATION
.....	\$	(\$)
.....	\$	(\$)
.....	\$	(\$)
.....	\$	(\$)

5. An Annual Report shall be submitted pursuant to section 11 of the *Mines Regulation Act*.
6. OTHER
 - (A) Plans and Programmes approved by the Chief Inspector shall become part of the Permit.
 - (B) New developments and their accompanying programmes of reclamation require the approval of the Chief Inspector pursuant to Section 11 of the *Mines Regulation Act*.

Note — This permit applies only to the requirements under section 11 of the *Mines Regulation Act*. Other legislation may be applicable to the mining operations, and this permit in no way abrogates the responsibility and obligation of the permittee under such other legislation.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

MINES ACT

AMENDMENT TO RECLAMATION PERMIT

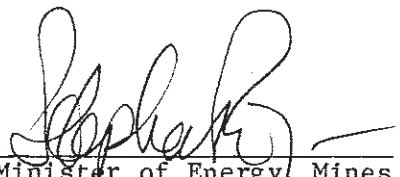
(Issued pursuant to Section 9(5) of the Mines Act)

Permit No. M-11

Issued to Bethlehem Copper Corporation Limited

is hereby revised subject to the following amendments.

Amended at Victoria, British Columbia, this 7th day of December
in the year 1984


Minister of Energy, Mines
and Petroleum Resources

Preamble

1. An application to amend Reclamation Permit M-11 which included a program for the protection and reclamation of the surface of the land and watercourses affected by the mine dated December 15, 1982, was filed with the Minister on January 6, 1983.
2. By Order-in-Council No. 1051, approved by the Lieutenant-Governor in Council on June 30, 1983, the Minister was authorized to revise the permit and to require that the amount and the form of further security to be deposited with the Minister of Finance was determined at \$250,000, with an additional security of \$200,000 to be deposited by December 31, 1983 and \$200,000 to be deposited by December 31, 1984, in the form of Cash, Government of Canada or Provincial direct or guaranteed securities having a maturity of not longer than 3 years, or chartered banks', trust companies', or credit unions' certificates of deposit where supported by an appropriate letter giving direction concerning payment of the funds to the Minister of Finance.
3. An application to amend Reclamation Permit M-11 was made on August 29, 1984, to allow Cominco to post as security any form of security as authorized pursuant to Section 2 of the Bonding Act.
4. The application to amend the Permit was reviewed by the Reclamation Advisory Committee on September 25, 1984 and approval was recommended.

Amendments

1. The Minister of Energy, Mines and Petroleum Resources hereby approves the program dated December 15, 1982, for protection and reclamation of the surface of the land and watercourses affected by the mine and the request for amendment dated August 29, 1984.
2. The amended permit is hereby issued in the name of Cominco Limited.
3. The owner, agent or manager shall cause to be deposited with the Minister of Finance, within 60 days of receipt of this amendment, additional bonding and or securities in the amount of Six Hundred Fifty Thousand dollars (\$650,000.00) bringing the total security for this permit to Eight Hundred Thousand dollars (\$800,000.00). Any form of security is acceptable as authorized pursuant to Section 2 of the Bonding Act.
4. An annual reclamation report shall be submitted in a form and containing the information required by the Chief Inspector of Mines.
5. LAND USE

The surface of the land and watercourses shall be reclaimed to provide forage for domestic livestock, food and shelter for wildlife and merchantable timber.

6. PRODUCTIVITY

The level of land productivity to be achieved on reclaimed land shall not be less than existed prior to mining on an average property basis unless the proponent can produce adequate documentation to support the impracticality of this level. Land shall be revegetated to a self-sustaining state using appropriate plant species.

7. USE OF SUITABLE GROWTH MEDIUM

A growth medium which will satisfy land use and productivity objectives shall be placed on the surface. Where necessary, sufficient topsoil or other suitable growth medium shall be saved for use in reclamation programs.

8. TREATMENT OF STRUCTURES AND EQUIPMENT

All machinery, equipment and building superstructures shall be removed. Exemptions may be granted where buildings are maintained and used for another purpose.

Concrete foundations and slabs may be left intact, provided they are covered by overburden and revegetated unless otherwise approved by the Chief Inspector of Mines.

All scrap material shall be disposed of in a manner acceptable to the Chief Inspector of Mines.

9. OTHER PROVISIONS

All other provisions of the Mines Act shall be complied with to the satisfaction of the Chief Inspector of Mines.

10. WASTE DUMPS

All waste dumps shall be reclaimed in accordance with land use objectives and proposals presented in the program dated December 15, 1982.

11. WATERCOURSES

Drainage of the entire minesite shall be restored either to original watercourses or to new watercourses which will sustain themselves in future without maintenance. The reclamation program shall ensure that long-term water quality is preserved.

12. PITS

If water will become ponded in the pit, a report shall be submitted to the Chief Inspector of Mines outlining the maximum level of water, water quality and future use.

Where the pit floor will be free from water, overburden shall be used where necessary to provide sufficient cover to establish vegetation.

13. TAILINGS IMPOUNDMENTS

The "Guidelines for the Design, Construction, Operation and Abandonment of Tailings Impoundments" issued by the Chief Inspector of Mines on December 30, 1983, outline the requirements for tailings impoundments.

All tailings ponds and impoundment structures shall be reclaimed to the approved land use.

14. ROADS

Unless otherwise approved by the Chief Inspector of Mines, roads shall be ripped and covered with a suitable growth medium and reclaimed to the approved land use.

15. TOXIC MATERIAL

Waste material which is directly or indirectly harmful to plant and animal life shall be disposed of in a manner which prevents adverse effects. Vegetation shall be monitored for heavy metal uptake to ensure that elevated metal levels do not occur. Completely covering potentially toxic material with glacial till or topsoil may be required.

16. DISPOSAL OF TOXIC CHEMICALS

Chemicals or reagents which cannot be returned to the manufacturer are to be disposed of in accordance with the Waste Management Act.

17. ACID GENERATING MATERIAL

All potential acid generating material shall be disposed of in a manner which prevents acid mine drainage.

18. TEMPORARY SHUTDOWN

If this mine ceases operation for an indeterminate period, the owner, agent or manager must either continue to carry out the approved program or apply for an amendment setting out a revised program for approval.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

MINES ACT

AMENDMENT TO RECLAMATION PERMIT

(Issued pursuant to Section 9(5) of the Mines Act)


Permit No. M-11

Issued to Cominco Ltd.

I approve your application dated July 4, 1986, for revision of this permit and hereby amend Reclamation Permit M-11 from Cominco Ltd. to:

Highland Valley Copper

Amended at Victoria, British Columbia, this 6th day of August
in the year 1986


Minister of Energy, Mines
and Petroleum Resources

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

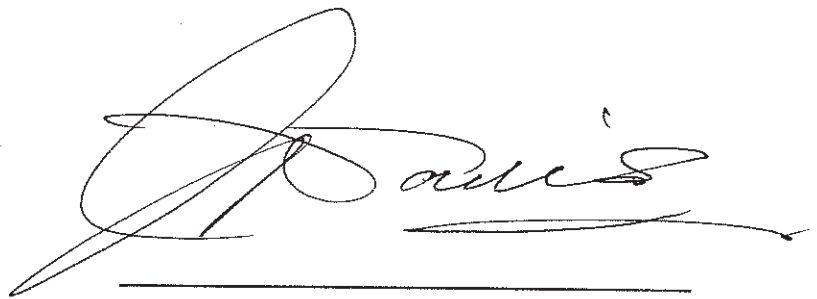
AMENDMENT TO RECLAMATION PERMIT
(Issued pursuant to Section 9(5) of the **Mines Act**)

Permit **M-11**

Issued to **Highland Valley Copper**

is hereby revised subject to the appended conditions:

Amended at Victoria, British Columbia, this 27th day of October in the year 1989.

A handwritten signature in black ink, appearing to read "D. Davis", is written over a horizontal line. The signature is fluid and cursive.

Minister of Energy, Mines
and Petroleum Resources

PREAMBLE

1. An application to amend Reclamation Permits M-11 (Bethlehem and Valley Copper), and M-27 (Lornex) was submitted by Highland Valley Copper on October 5, 1987. This application contained an amended reclamation program entitled "Highland Valley Copper Reclamation Plan, September, 1987".
2. This Reclamation Plan was reviewed by the Reclamation Advisory Committee and approval was recommended.

AMENDMENTS

The Minister of Energy, Mines and Petroleum Resources hereby approves the amended program for protection and reclamation of the surface of the land and watercourses affected by the mine, subject to compliance with the following terms and conditions:

1. Reclamation Security

The owner, agent or manager shall cause to be deposited with the Minister of Finance, within 30 days of receipt of this permit, additional bonding and/or securities in the amount of Eight Million Two Hundred Thousand dollars. (\$8,200,000.00). This brings the total security for this permit to Ten Million dollars (\$10,000,000.00). The security shall be held by the Minister of Finance for the proper performance of the approved program and all the conditions of this permit in a manner satisfactory to the Minister of Energy, Mines and Petroleum Resources. The security deposit may be in any form authorized pursuant to Section 3 of the Bonding Act.

2. Annual Reclamation Report

An annual reclamation report shall be submitted in a format acceptable to, and containing the information required by the Chief Inspector of Mines.

3. Land Use

The surface of the land and watercourses shall be reclaimed to a variety of land uses specified in the Reclamation Plan, and may include: grazing, forest, wildlife, agriculture and water storage.

4. Productivity

The level of land productivity to be achieved on reclaimed land shall not be less than that which existed prior to mining on an average property basis unless the proponent can produce adequate documentation to support the impracticality of this level. Land shall be revegetated to a self-sustaining state using appropriate plant species.

5. Use of Suitable Growth Medium

(a) If a growth medium which will satisfy land use and productivity objectives is not present following mining, a suitable growth medium shall be placed on the surface of the land.

(b) Unless proven to the satisfaction of the Chief Inspector of Mines that productivity objectives can be otherwise achieved, overburden or other satisfactory growth medium shall be placed on the surface of those Bethlehem dumps not exempted under condition 8(b) of this amended permit.

(c) The permittee shall institute and maintain as an integral part of the mine and reclamation plan, a soil and overburden conservation program. The purpose of this program is to ensure that soil and overburden will be available and used if required on the surface as a growth medium.

6. Treatment of Structures and Equipment

All machinery, equipment and building superstructures shall be removed. Exemptions may be granted where buildings are maintained and used for another purpose.

Concrete foundations and slabs may be left intact, provided they are covered by a suitable growth medium and revegetated, unless otherwise approved by the Chief Inspector of Mines.

All scrap material shall be disposed of in a manner acceptable to the Chief Inspector of Mines.

7. Safety Provisions

All safety provisions of the Mines Act shall be complied with to the satisfaction of the Chief Inspector of Mines.

8. Waste Dumps

(a) Operational waste dumps have a safety factor of 1.0 and are dynamically stable in the short-term, when shallow surficial failures are manageable. However, in the long-term post-mining period, factors of safety must be sufficient to minimize external impacts resulting from shallow surficial failures for the protection of both the public and the environment.

In considering long-term stability, the Chief Inspector of Mines may require a geotechnical report prepared by a Professional Engineer acceptable to the Chief Inspector of Mines.

(b) The high Bethlehem dump slopes that face the area known as the JA zone and run along the valley to the Valley ore zone, and other dumps that immediately face the #1 tailings pond, are considered pre-legislation and are exempt from any reclamation requirements unless harmful leachates or instability problems pose a threat to the environment.

(c) All dump platforms and remaining shorter dump slopes at Bethlehem shall be revegetated in accordance with land use and productivity objectives. Exemptions to a maximum of 5% of the surface area of the remaining dump slopes at Bethlehem may be granted by the Chief Inspector of Mines as a result of a joint inspection.

(d) All waste dump slopes and platforms associated with the Valley ore zone shall be reclaimed in accordance with land use and productivity objectives.

(e) All waste dump slopes and dump platforms associated with the Lornex pit, other than those for which it has been demonstrated to the satisfaction of the Chief Inspector of Mines that it is impractical or impossible to revegetate because of aspect, elevation, or because of physical constraints, shall be ultimately revegetated in accordance with land use and productivity objectives. The target expectation is that at least 85% of the surface area of the final Lornex dump slope faces shall be revegetated. It is the intent of the research program outlined under 8(f) or any subsequent research programs to develop economic means of achieving this goal.

(f) Many of the Lornex waste dumps may remain active for at least 20 years. Long, steep slope faces may be susceptible to surface erosion, have conditions that are hazardous for personnel to revegetate, and are usually devoid of suitable growth medium in the lower 1/3 to 1/2 of the face length.

A research program shall be conducted during the period from the permit issue date to December 1994 to:

- o evaluate methods to provide safe long-term stability
- o evaluate, for the various types of landform slope faces expected on mine closure, either innovative methods of slope height reduction or for individual slopes, an overall angle reduction
- o conduct sufficient test plot revegetation trials on slope faces to determine procedures, species and rates of fertilization in order to establish self-sustaining stable vegetation in keeping with land use and productivity objectives.
- o identify those final slope faces that may be either impractical or impossible to revegetate because of aspect, elevation, or because of physical constraints.

(g) The results of each year's research work and the proposed details of the next year's program shall be reported in the annual reclamation report. Annual meetings to discuss the progress of the work shall be held with the Reclamation Advisory Committee and its Regional Committee. A summary report shall be filed by December, 1994, outlining the results of the 5-year program and containing dump by dump proposals for final conceptual treatments, a long-term conceptual waste dump management plan, and an economic and technical rationale for waste dump faces which, at that point in time, are proposed to remain unrevegetated.

9. Watercourses

Drainage of the entire minesite shall be restored either to original watercourses or to new watercourses which will sustain themselves in the future without maintenance. The reclamation program shall incorporate procedures designed to develop a data base and monitor water quality with the objective of meeting water quality standards.

10. Pits

(a) Where pit floors are free of water, overburden or suitable growth medium shall be used where necessary to provide sufficient cover to establish vegetation.

(b) Throughout mine operation, the permittee shall assemble pertinent information on pit water balances and water quality in order to prepare appropriate abandonment plans.

(c) Where pits are expected to contain ponded water, provision must be made to create a safe, usable body of water.

(d) The manager shall identify, at least 5 years prior to mine closure, those portions of the pit walls that will not be ultimately covered by water and shall develop a reclamation plan acceptable to the Chief Inspector of Mines.

11. Tailings Impoundments

The "Guidelines for the Design, Construction, Operation and Abandonment of Tailings Impoundments" issued by the Chief Inspector of Mines on December 30, 1983, outline the requirements for tailings impoundments.

All tailings ponds and impoundment structures shall be reclaimed to the approved land use.

12. Roads

Unless otherwise approved by the Chief Inspector of Mines, roads shall be reclaimed to the approved land use.

13. Metal Uptake in Vegetation

Waste material which is directly or indirectly harmful to plant and animal life shall be disposed of in a manner which prevents adverse effects. Vegetation shall be monitored for heavy metal uptake to determine whether elevated metal levels are occurring. Completely covering potentially harmful material with glacial till or topsoil may be one of the preventative alternatives used.

14. Disposal of Toxic Chemicals

Chemicals or reagents which cannot be returned to the manufacturer are to be disposed of in accordance with the **Waste Management Act**.

15. Acid Generating Material

(a) The permittee shall conduct research to determine the potential for acid mine drainage.

(b) Should potentially acid generating material be identified, research shall be initiated into methods of disposal designed to prevent acid mine drainage.

(c) All identified potentially acid generating material shall be disposed of in a manner which prevents acid mine drainage escaping into the environment.

16. Temporary Shutdown

If this mine ceases operation for a period exceeding one year, the owner, agent or manager must either continue to carry out the approved reclamation program or apply for an amendment setting out a revised program for approval.

17. Permit Review

On or before December 31, 1994, the permittee shall submit a revised reclamation program that incorporates the current mine plan as well as the results of research conducted under this permit, and as soon as possible after that day the Reclamation Advisory Committee may consider revisions to the permit.



April 12, 1991

File: 14745-30/HIGH/01

Mr. D.E. Guild, P.Eng.
Vice President, General Manager
Highland Valley Copper
P.O. Box 1500
Logan Lake, B.C.
V0K 1W0

Dear Mr. Guild:

**Re: Highland Valley Copper - 1991 Mine Plan Submission
Conditional Authorization of Work System into 1995**

We acknowledge receipt of the 1991 Mine Plan Submission with appended documents submitted under your letter dated March 19, 1991.

Pursuant to Section 6.1.2 of the Mines Act S.B.C. (1989) c. 56 H.S.R. Code you are authorized to proceed with the plan of the system under which you have proposed to work the Highland Valley Copper Mine in accordance with the designs and operating recommendations described in the appended engineering reports.

This authorization is based on review and acceptance of the "Mine Plan Submission" of February 1991 by Highland Valley Copper together with the following support documents:

"Geophysical, Soil Survey and Drilling Programs in Lornex Waste Dump Area" dated February 1991, by Highland Valley Copper.

"A Study of the Geophysical and Drilling Programs Done in the Proposed Waste Dump Area - Valley Mine" dated September 1988, by Highland Valley Copper.

"A Study of the Geophysical and Drilling Programs Done in the Tailings Storage Area" dated February 1991, by Highland Valley Copper.

"Geotechnical Aspects of Dump Design for the Lornex Pit" dated November 1984 by Golder Associates. (842-1527)

"Geotechnical Evaluation of the Proposed Valley Pit Dumps" dated November 1987 by Golder Associates. (872-1445)

...2

Page 2
Highland Valley Copper
April 18, 1991

"Waste Dump Construction - Little Divide Lake Area" dated November 1990, by Golder Associates. (902-1409)

"Overburden Slope Designs for the Valley Pit" dated January 1989, by Golder Associates. (872-1416)


"Slope Design Parameters for the Lornex and Valley Pits" dated January 1989, by Golder Associates. (892-1405)

"Rock Slope Design Configurations for the Valley Pit" dated March 1991, by Golder Associates. (912-1409)

The following conditions shall apply to this authorization:

- 1) This authorization will remain in effect during the four year period ending March 31, 1995. In accordance with Condition 17 of Reclamation Permit M-17 a current mine plan shall be submitted on or before December 31, 1994.
- 2) This authorization does not apply to the design, construction and operation of the Valley tailings impoundment which has received specific authorization by letter dated September 22, 1989 and does not alter the status of any existing authorizations on other tailings impoundments at this mine.

Yours truly,



R.W. McGinn, P.Eng.
Chief Inspector of Mines

RWM/FJTH/lw

Enclosures

cc: R.A. Fyles
F.J.T. Hancock

AMENDMENT TO PERMIT

APPROVING AMALGAMATION WITH PERMIT M-55

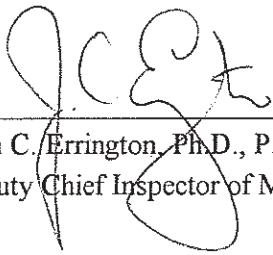
Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 15th day of July in the year 1998.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

A letter of application dated January 3, 1994 requesting the amalgamation of Permit M-55 with M-11 was submitted to the Chief Inspector of Mines February 21, 1994 in accordance with Section 10 of the Mines Act.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby cancels permit M-55 and grants permission to include the Highmont Mine into permit M-11 (Highland Valley Copper Mine) subject to compliance with the following conditions:

General

1. Compliance with Mines Act and Code

All work shall be in compliance with all sections and parts of the Mines Act and Health, Safety and Reclamation Code for Mines in British Columbia and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector and the District Inspector in writing of any intention to depart from the plan of the work system to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

Reclamation Program

1. Responsibility to Reclaim Outstanding Disturbances

Any reclamation obligations which remain outstanding under the terms and conditions of Permit M-55 (Highmont Mine) at the time of issuance of this amended permit, shall become the responsibility of the Permittee under the terms and conditions of this permit.

2. Reclamation Security

The existing security in the amount of Two Hundred and Fifty Thousand dollars (\$250,000.00) held under permit M-55 is hereby transferred to permit M-11. This brings the total security to Ten Million Two Hundred and Fifty Thousand dollars (\$10,250,000.00). The security shall be held by the Minister of Finance and Corporate Relations for the proper performance of the approved reclamation program and all the conditions of this permit in a manner satisfactory to the Chief Inspector.



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

MINE REVIEW AND
PERMITTING BRANCH

Fourth Floor
110 Blanshard Street
Victoria
British Columbia
V8V 1X4
Fax: (604) 952-0481

Ph: (604) 952-0475

November 24, 1994

File: M-11
14675-35-04

Mr. A.D. MacPhail
Vice President and General Manager
Highland Valley Copper
P.O. Box 1500
Logan Lake, B.C.
V0K 1W0

FAXED
11/24/94 CH

Dear Mr. MacPhail:

Re: Amendment to Reclamation Permit M-11

Further to the request of Ken Munro dated May 7, 1994 to extend the date for receipt of your revised reclamation plan, I hereby grant an extension. Condition 17 of your permit is hereby amended as follows:

17. On or before March 31, 1995, the Permittee shall submit a revised reclamation program that incorporates the current mine plan as well as the results of research conducted under this permit, and as soon as possible after that day, the Reclamation Advisory Committee may consider revisions to the permit.

All other terms and conditions remain the same.

Please attach this letter to your permit as it is an integral part of it.

Enclosed is a copy of the Reclamation Permit Requirements for use in preparing the plan.

Yours very truly,


John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

JCE:ch

cc: A. O'Bryan, Nelson

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the Mines Act S.B.C. 1989, c.56)

Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper

This permit contains the following sub-sections:

Issue Date

Permit

October 27, 1989

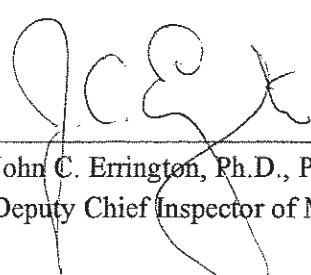
Approving Reclamation Program

Amendment

March 8, 1995

Bethlehem and Highmont Tailings Dams
Abandonment Spillways

Amended at Victoria, British Columbia this 8th day of March in the year 1995.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the Mines Act S.B.C. 1989, c.56)

Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper

This permit contains the following sub-sections:

Issue Date

Permit

September 22, 1989

Approving Work System - Highland Valley
Tailings Impoundment

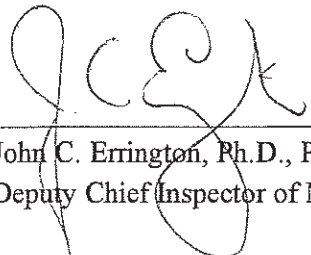
October 27, 1989

Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 5th day of May in the year 1995.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Highmont Tailings Dams
	Abandonment Spillways
May 5, 1995	1995 Mine Plan

**AMENDMENT TO PERMIT
APPROVING WORK SYSTEM**

1995 MINE PLAN

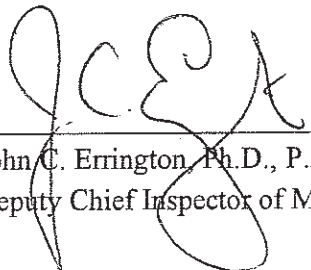
Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper

Issued at Victoria, British Columbia this 5th day of May in the year 1995.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

An application dated March 28, 1995 for an amendment to the conditions of the permit approving the work system, including a report and plan of the work system entitled 1995 Mine Plan Submission was submitted to the Chief Inspector of Mines on April 4, 1995 in accordance with Part 6.1.2 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code).

The following reports form part of the application:

Revised Slope Configurations for the West Wall of the Valley Pit, by Golder Associates,
May 1991,

Valley Pit Overburden Slopes, by Golder Associates, July 25, 1991,

Review of Valley Pit West Wall Slope Design Criteria, by Golder Associates, December 23, 1994, and

Review of Overburden Dewatering Operations and Recommended 5 Year Dewatering Plan, Valley Pit, by Golder Associates, January 18, 1995.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the amended program described in the report and plan of the work system subject to compliance with the following conditions:

Work System

1. Compliance with Mines Act and Code

All work shall be in compliance with all sections and parts of the **Mines Act** and Code and the Permittee shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The manager shall notify the Chief Inspector and the District Inspector in writing of any intention to depart from the plan of the work system to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

3. Expiry

This amendment will remain in effect during the 5 year period ending April 28, 2000. A revised Mine Plan shall be submitted on or before February 28, 2000.

4. Limitation

This amendment approves the Lornex and Valley pits and associated waste dumps but does not apply to the design, construction, operation and closure of the Highland Valley, Bethlehem and Highmont tailings impoundments.

Geotechnical

1. Consultant's Recommendations

The recommendations of your geotechnical consultant form part of this approval.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the Mines Act R.S.B.C. 1996, c. 293)

Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

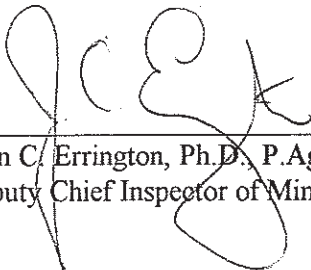
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 16 day of July in the year 1998.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump

M-11cov

**AMENDMENT TO PERMIT
APPROVING RECLAMATION PROGRAM**

END LAND USE PLAN

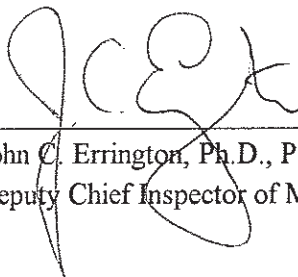
Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 16th day of July in the year 1998.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

An application dated May 20, 1997 entitled "Highland Valley Copper End Land Use Plan 1998" was submitted to the District Inspector on May 20, 1998 in accordance with Section 10 of the Mines Act.

CONDITIONS

The Chief Inspector of Mines hereby accepts the application and approves the end land use plan subject to compliance with following terms and conditions:

Reclamation Program

1. Extent of Land Use Plan

The approved land use plan covers the entire Highland Valley Copper Mine, including the area previously approved for the Highmont Mine under permit M-55, and supersedes previous land use objectives including the requirement to reclaim to commercial tree species.

2. End Land Use Plan Review

On or before June 1, 2003, the Permittee shall submit an up-dated end land use plan which includes the results of research conducted under this permit, and as soon as possible after that day the South Central Mine Development Review Committee may consider revisions to the plan.

All other terms and conditions remain the same.

AMENDMENT TO PERMIT

APPROVING RECLAMATION PLAN FOR 1995 - 1999

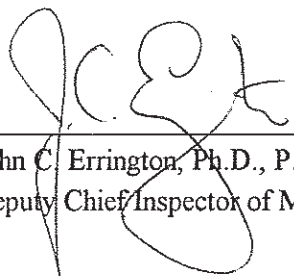
Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 16th day of July in the year 1998.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

An application dated August 25, 1995 entitled "Reclamation Permit, M-11 Summary of Results (1990-1994) and Five Year Forecast August 1995" was submitted to the Chief Inspector of Mines (Chief Inspector) on August 30, 1995 in accordance with Section 10 of the Mines Act.

The Chief Inspector hereby accepts the application and approves the revised reclamation program.

**AMENDMENT TO PERMIT
APPROVING RECLAMATION PROGRAM**

REVEGETATION OF LORNEX SOUTH WASTE DUMP

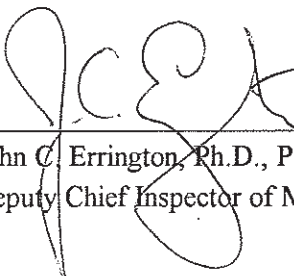
Permit: M-11

Issued to: Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 16th day of July in the year 1998.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

An application for an amendment to permit M-11 dated May 1997 entitled "Application for Reclamation Release at Lornex South" was submitted to the Chief Inspector of Mines (Chief Inspector) on June 6, 1997 in accordance with Section 10 of the Mines Act.

CONDITION

The Chief Inspector agrees that the Permittee has demonstrated that land use and productivity objectives have been achieved and the land has been revegetated to a self sustaining state using appropriate plant species, and hereby accepts the Lornex South portion of the property comprising 32 hectares as being reclaimed subject to the following condition:

1. Grazing Management

The Permittee shall continue to control and manage cattle grazing on this reclaimed land to ensure that the vegetation and productivity are maintained.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c.293)

Permit: **M-11**

Issued to: **Highland Valley Copper#**
P.O. Box 1500#
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

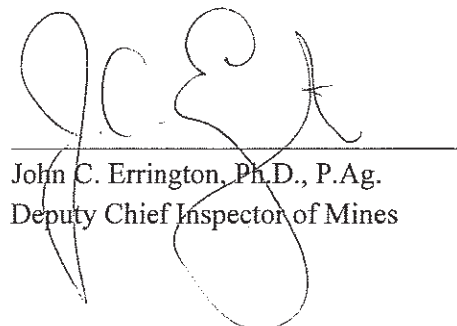
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2

Amended at Victoria, British Columbia this 23rd day of February in the year 2000.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Highmont Tailings Dams Abandonement Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the Mines Act R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

This permit contains the following sub-sections:

Issue Date

Permit

September 22, 1989

Approving Work System - Highland Valley Tailings
Impoundment

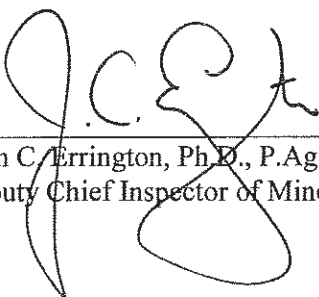
October 27, 1989

Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 5th day of June in the year 2003.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway

Cov M-11

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

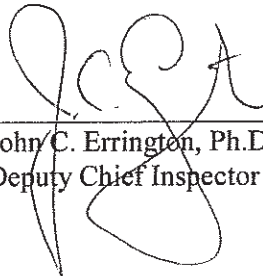
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 24th day of March in the year 2004.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet

Cov M-11

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

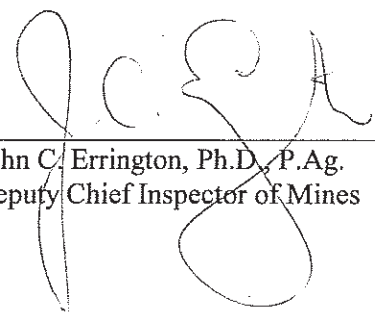
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 9th day of June in the year 2004.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet
June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam

Cov M-11

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the Mines Act R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

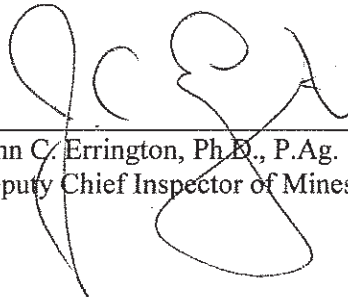
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 27th day of August in the year 2004.



John C. Errington, Ph.D., P.Ag.
Deputy Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet
June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam
August 27, 2004	Disposal of Contaminated Soils

**AMENDMENT TO PERMIT
APPROVING
DISPOSAL OF CONTAMINATED SOILS**

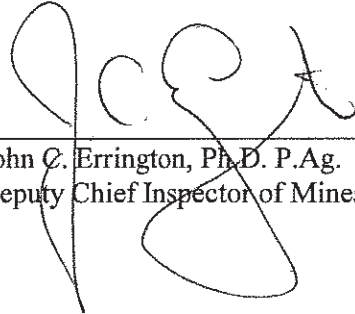
Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 27 day of August in the year 2004.



John C. Errington, Ph.D. P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

An application dated August 3, 2004 entitled "Amendment to Reclamation Permit M-11" was submitted to the Chief Inspector of Mines on August 5, 2004 in accordance with Part 9 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code).

This permit authorizes the disposal of 34,000 tonnes of soil contaminated with copper concentrates and hydrocarbons into the tailings impoundment.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby grants permission to commence work described in the report and subject to compliance with the following conditions:

General

1. Compliance with Mines Act and Code

All work shall be in compliance with all sections and parts of the **Mines Act** and Code and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector and the District Inspector in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

Protection of the Land and Watercourses

1. Restriction of Hazardous Waste

No materials classified as hazardous waste under the Hazardous Waste Regulation of the **Environmental Management Act** shall be deposited in the tailings impoundment.

2. Deposition of Soils

The Permittee shall ensure that the contaminated soils are thinly dispersed within the impoundment.

**AMENDMENT TO PERMIT
APPROVING RECLAMATION PROGRAM**

FIVE YEAR RECLAMATION PLAN

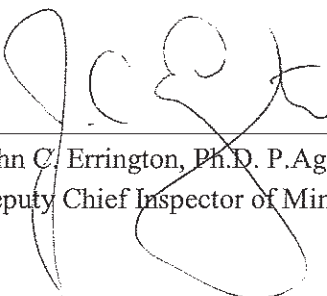
Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 23rd day of March in the year 2005.



John C. Errington, Ph.D. P.Ag.
Deputy Chief Inspector of Mines

PREAMBLE

A five year reclamation plan (plan), entitled "Five Year Reclamation Plan and Summary of Results (1995–2002)", dated September, 2003, was submitted to the Chief Inspector of Mines on October 31, 2003 in compliance with condition 2 of the July 16, 1998 amendment to permit M-11.

The South Central Mine Development Review Committee (SCMDRC), at an on-site meeting on September 14, 2004, reviewed the plan, and recommended acceptance. A number of issues were raised and several of these have been addressed in the permit conditions below. In addition to federal and provincial agencies, the plan was presented to three First Nations bands who have an interest in the area; the Cooks Ferry Indian Band, Lower Nicola Indian Band and the Oregon Jack Creek Band.

This permit is compatible, to the extent possible, with the requirements of other provincial ministries for reclamation issues. However, nothing in this permit limits the authority of other provincial ministries to set other conditions, or to act independently, under their respective permits and legislation.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the plan subject to compliance with the following conditions:

Reclamation

1. Final Closure Plans

- (a) The Permittee shall prepare final closure plans for different components of the mine, and sequentially present these plans to the SCMDRC.
- (b) The closure plan for each component of the mine shall address the program for satisfying the reclamation standards as set out in Part 10.7 of the Code, in particular:
 - Plans for the long-term range management,
 - Plans for management of bloat in cattle,
 - Long-term water quality, and
 - Plans for water release and management for specific watersheds.

2. Sustainable Vegetation

- (a) The Permittee shall continue to monitor previously revegetated sites to determine or confirm the existing criteria for judging where vegetation is "self-sustaining" is correct.
- (b) In 2005 or 2006, the Permittee shall sample a representative number of sites that have previously been classed as "Good" using the methodology outlined in Section 1 of Chapter 3 of the Report. The sampling shall be done on sites that have received no fertilizer for 6 or more years. The sampling shall determine biomass production, foliar nitrogen concentrations and ground cover for both grasses and legumes. If the results of the sampling indicate that a site would still be classified as "Good", and there have been no changes in species composition, biomass production or foliar nitrogen concentration that would indicate that a site is retrogressing, then these sites will be considered to have met the revegetation requirements of the Permit and as such have been reclaimed.

- (c) If results of this sampling indicate that there are sites that would no longer be classified as "Good", or sites where there have been changes in species composition, biomass production or foliar nitrogen concentration that would indicate that a site is retrogressing, then the Permittee will be required to modify the criteria and determine the reason why a particular site has deteriorated.
- (d) If all of the sampled sites are still classified as "Good", and there have been no changes in species composition, biomass production or foliar nitrogen concentration that would indicate that a site is retrogressing, then the criteria established by the Permittee used to classify sites as "Good" following the second assessment will be acceptable to indicate that the Permittee has met the revegetation requirements of the Permit.
- (e) Sites not being classed as "Good" at the second assessment may require additional remediation and will require additional monitoring and evaluation before being accepted. The Permittee shall develop appropriate criteria to address such sites, including, but not limited to those that have been amended with biosolids.
- (f) For sites designated as Shrubland or Mixed Forest in the End Land Use Plan, the Permittee will be considered to have met the requirements of sustainability and productivity if the appropriate Ministry of Forests conifer and broadleaf stocking standards for cutblock reforestation have been achieved. As these standards are designed to evaluate regeneration of commercial forest, they have been revised for application to the permitted property as follows:
 - (i) For areas established to conifer stands for the purpose of providing wildlife corridors, standards are drawn from the IDFdK1 variant (Establishment to Free-Growing Guidebook, Kamloops Forest Region), as this was the dominant variant in pre-development conditions. Acceptable species are lodgepole pine (Pl), ponderosa pine (Py), hybrid white spruce (Sx) and Douglas-fir (Fd). Target stems per hectare are 600-1000, with a 500 stem-per-hectare minimum. These stocking standards will be based on all stems, not well-spaced stems, as the objective on the permitted property is not the return of commercial forest. Assessment will be conducted 12-15 years following planting. Minimum heights at this time will be 0.6 m for Sx and Py, 0.8 m for Fd, and 1.0 m for Pl.
 - (ii) For areas established to mixed conifer/deciduous tree/shrub stands for the purpose of providing wildlife habitat – standards are drawn from the broadleaf stocking standards for the Kamloops Forest Region. Acceptable species are those established on the permitted property for

wildlife habitat end land use. Target stems per hectare are 1000-1200, with a 500 stem-per-hectare minimum (to be consistent with the conifer minimum, above). These stocking standards will be based on all stems, not well-spaced stems, as the objective on the permitted property is not the return of commercial forest. Assessment will be conducted 12-15 years following planting. No minimum height or height-above-competition requirements are proposed for these standards.

3. Community Consultation

Through the SCMDRC the Permittee shall participate in a public consultation initiative to provide the public and community a forum for expressing their concerns and issues.

\\Permits\M-11\Amd 5 year plan.doc

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

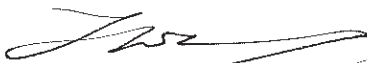
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 19th day of July in the year 2005.



F.W. Hermann, P.Eng.
Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet
June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam
August 27, 2004	Disposal of Contaminated Soils
March 23, 2005	Five Year Reclamation Plan
July 19, 2005	300,000 Tonne Bulk Sample in the Highmont Pit

**AMENDMENT TO PERMIT
APPROVING 300,000 TONNE BULK SAMPLE
IN THE HIGHMONT PIT**


Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 19th day of July in the year 2005.



F.W. Hermann, P.Eng.
Chief Inspector of Mines

PREAMBLE

A letter of application dated June 24, 2005 requesting the extraction of a 300,000 tonne bulk sample was submitted to the district Inspector of Mines on June 29, 2005 in accordance with Part 10 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code).

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the application subject to compliance with the following conditions:

General

1. Compliance with Mines Act and Code

All work shall be in compliance with all sections and parts of the **Mines Act** and Code and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector and the district Inspector of Mines in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

Work System

1. Blasting

The Permittee shall set blast pattern design and loading to ensure long-term pit wall stability.

Geotechnical

1. Pit Wall Stability

The Permittee shall, prior to commencement of activities within the pit, conduct a geotechnical assessment of pit wall stability to ensure the safety of personnel and the long-term stability of pit walls..

Health and Safety

1. Emergency Preparedness Plan

The Permittee shall develop an emergency preparedness plan prior to commencement of mining activities. In addition to addressing daily operational issues, the plan shall specifically address emergency evacuation of personnel due to injury and forest fire hazard.

2. Operational Procedures

Approved Valley Pit operational procedures and engineering practices shall be employed during the course of this program.

Amd M-11 Bulk Sample

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

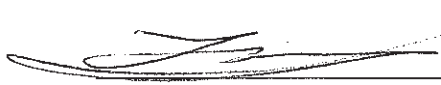
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 23rd day of September in the year 2005.



F.W. Hermann, P.Eng.
Chief Inspector of Mines

Date: September 23, 2005

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet
June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam
August 27, 2004	Disposal of Contaminated Soils
March 23, 2005	Five Year Reclamation Plan
July 19, 2005	300,000 Tonne Bulk Sample in the Highmont Pit
September 23, 2005	Amendment to the 2005 Mine Plan

**AMENDMENT TO PERMIT
APPROVING AMENDMENT TO THE 2005 MINE PLAN**


Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 23rd day of September in the year 2005.



F.W. Hermann, P.Eng.
Chief Inspector of Mines

PREAMBLE

An application dated August 2005 entitled "Amendment to the 2005 Mine Plan" was submitted to the district Inspector of Mines on August 16, 2005 in accordance with Part 10 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code).

The following letters form part of this application:

- Highmont Development Plans and Sections, prepared by Ron Graden, Highland Valley Copper, dated September 1, 2005.

Date: September 23, 2005

- Geotechnical Assessment East Highmont Pit, prepared by G.D. Warnock, Highland Valley Copper, dated September 14, 2005.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the application subject to compliance with the following conditions:

General

1. Compliance with **Mines Act** and Code

All work shall be in compliance with all sections and parts of the **Mines Act** and Code and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector and the district Inspector of Mines in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

Health and Safety

1. Emergency Preparedness Plan

The Permittee shall develop an emergency preparedness plan prior to commencement of mining activities.

2. Operational Procedures

Approved Valley Pit operational procedures and engineering practices shall be employed during the course of this program.

Work System

1. Blasting

The Permittee shall set blast pattern design and loading to ensure long-term pit wall stability.

Date: September 23, 2005

Geotechnical

1. Pit Wall Stability

- a) The Permittee shall, prior to commencement of activities within the pit, conduct a geotechnical assessment of pit wall stability to ensure the safety of personnel and the long-term stability of pit walls.
- b) The Permittee shall follow the recommendations in the report "Geotechnical Assessment of the East Highmont Pit", dated September 14, 2005.
- c) The Permittee shall establish a pit wall monitoring program to include both approved instrumentation and visual monitoring aids. The program shall be submitted, prior to mining, to the regional Inspector of Mines and be available at all times for operation personnel to review.
- d) The Permittee shall immediately report any unusual movement of the pit walls that is observed, or measured, to the Chief Inspector and regional Inspector of Mines.

2. Waste Dumps

- a) The plan for the disposal of the waste rock as described in the Geotechnical assessment report dated September 14, 2005 is approved. Precautionary safety concerns shall be incorporated in the mine operational plan.
- b) The Permittee shall monitor active waste dumps for stability.

Protection of Land and Watercourses

1. Pit Water Discharge

Pit water discharge, if not used for mill process water, shall be pumped to the Highland Valley Copper main tailings pond for disposal.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

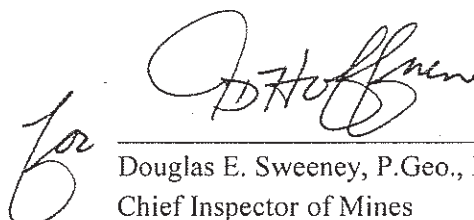
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 14th day of February in the year 2008.



Douglas E. Sweeney, P.Geo., M.Sc.
Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Nighmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
June 5, 2003	Highmont Tailings Dam Abandonment Spillway
March 24, 2004	Highland Tailings Storage Facility, L-L Dam Spillway and Low Level Outlet
June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam
August 27, 2004	Disposal of Contaminated Soils
March 23, 2005	Five Year Reclamation Plan
July 19, 2005	300,000 Tonne Bulk Sample in the Highmont Pit
September 23, 2005	Amendment to the 2005 Mine Plan
February 14, 2008	L-L Ultimate Dam Design for Crest Elevations 1260.6 m and 1266.5 m

**AMENDMENT TO PERMIT
APPROVING L-L ULTIMATE DAM DESIGN
FOR CREST ELEVATIONS 1260.6 M AND 1266.5 M**

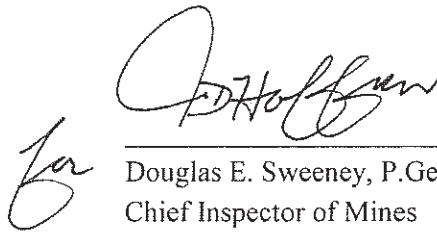
Permit: **M-11**

Issued to: **Highland Valley Copper
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 14th day of February in the year 2008.



Douglas E. Sweeney, P.Geo., M.Sc.
Chief Inspector of Mines

PREAMBLE

A letter application dated January 17, 2008 entitled "Highland Tailings Storage Facility" was submitted to the Chief Inspector of Mines on January 21, 2008 in accordance with Section 10 of the **Mines Act**.

The following document forms part of the application:

- Design report by Klohn Crippen Berger entitled "L-L Ultimate Dam, Design Update for Crest Elevations 1260.6m and 1266.5m", dated October 29, 2007.

Date: February 14, 2008

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the application subject to compliance with the following conditions:

General

1. Compliance with **Mines Act** and Code

All work shall be in compliance with all sections and parts of the Mines Act and Code and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector and the district Inspector of Mines in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

Geotechnical

1. Design

Seepage analyses shall be completed for the ultimate dam configuration to assess the till core embankment under operating, closure and extreme conditions. The results of the seepage analysis shall be submitted to the Chief Inspector prior to raising the water level above the dam operating elevation of 1248.7 m.

2. Construction

Dam construction to the ultimate crest elevation of 1266.5 m shall follow the design and specifications provided by the design consultant.

3. Monitoring

The Operation, Maintenance and Surveillance (OMS) manual shall be updated prior to each year's dam raise to include a table of piezometer and slope inclinometer threshold levels and associated response criteria.

Date: February 14, 2008

4. Reporting

- (a) An as-built report, including a summary of construction material specifications, foundation preparation, abutment preparation and QA/QC data, shall be presented in the annual dam safety inspection report or submitted under separate cover to the Chief Inspector.
- (b) A Dam Safety Review shall be completed in 2009, and every 5 years thereafter, in accordance with the Canadian Dam Association, dam safety guidelines. This review shall include an assessment of the flood storage volume and required freeboard during mine operation and the long-term water balance based on the climate model.
- (c) Prior to raising the dam above elevation 1260.6 m a detailed review of dam performance shall be prepared and submitted to the Chief Inspector.
- (d) The OMS manual and Emergency Preparedness Plan shall be reviewed annually and updated if required.

October 6, 2009

File: M-11
14675-35
Mine No. 0300010

Mr. C.J. Dechart
General Manager
Highland Valley Copper
Teck Highland Valley Copper Partnership
PO Box 1500
Logan Lake, B.C. V0K 1W0

Dear Mr. Dechart:

Re: Permit Amendment M-11, Valley Pit Upper West Wall and Permit Boundary Extension

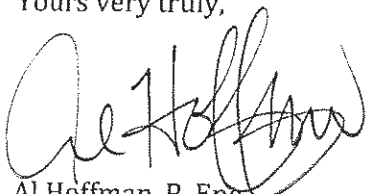
This ministry has reviewed your letter application submitted to the Chief Inspector of Mines in accordance with Part 10.1.11 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code) dated August 6, 2009, advising of work commencing on the Valley Pit Upper West Wall and permit boundary extension.

Your request to extend the permit boundary is hereby approved. The Valley Pit Upper West Wall Extension was approved in a permit issued June 5th, 2009.

All other terms and conditions of the permit remain unchanged.

Please attach this letter to Permit M-11 as it will become an integral part of the permit.

Yours very truly,



Al Hoffman, P. Eng.
Chief Inspector of Mines

cc: J.Sequin, MEMPR Kamloops
F Velasquez, Manager ARB, MEMPR

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PERMIT

**APPROVING WORK SYSTEM
AND RECLAMATION PROGRAM**

(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, c. 293)

Permit: **M-11**

Mine: **0300010 HVC**

Mine: **1620452 Highmont**

Issued to: **Teck Highland Valley Copper Partnership**
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0

for work located at the:

Highland Valley Copper Mine

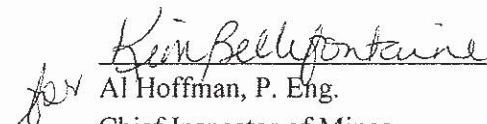
This permit contains the following sub-sections:

<u>Issue Date</u>	<u>Permit</u>
September 22, 1989	Approving Work System - Highland Valley Tailings Impoundment
October 27, 1989	Approving Reclamation Program

Amendments

As listed on page 2.

Amended at Victoria, British Columbia this 5th day of June in the year 2009.


Al Hoffman, P. Eng.
Chief Inspector of Mines

Amendments

April 12, 1991	1991 Mine Plan
November 24, 1994	Reclamation Plan Extension
March 8, 1995	Bethlehem and Highmont Tailings Dams Abandonment Spillways
May 5, 1995	1995 Mine Plan
July 15, 1998	Amalgamation with Permit M-55
July 16, 1998	Reclamation Program - End Land Use Plan
July 16, 1998	Reclamation Plan for 1995 - 1999
July 16, 1998	Revegetation of Lornex South Waste Dump
February 23, 2000	Modifications to the L-L Dam Upstream Section
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June 9, 2004	Highland Tailings Storage Facility, L-L Ultimate Dam
August 27, 2004	Disposal of Contaminated Soils
March 23, 2005	Five Year Reclamation Plan
July 19, 2005	300,000 Tonne Bulk Sample in the Highmont Pit
September 23, 2005	Amendment to the 2005 Mine Plan
February 14, 2008	L-L Ultimate Dam Design for Crest Elevations 1260.6 m and 1266.5 m
June 5, 2009	Approving Company Name Change and Extension of the Valley Pit Westwall and the Highmont East Pit.

**AMENDMENT TO PERMIT
COMPANY NAME CHANGE AND
EXTENSION OF THE VALLEY PIT WESTWALL
AND THE HIGHMONT EAST PIT**

Permit: **M-11**

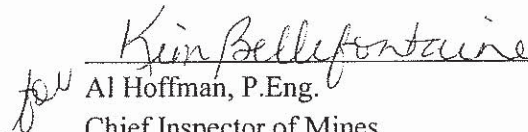
Mine: **0300010 HVC**
Mine: **1620452 Highmont**

Issued to: **Teck Highland Valley Copper Partnership
P.O. Box 1500
Logan Lake, British Columbia
V0K 1W0**

for work located at the:

Highland Valley Copper Mine

Amended at Victoria, British Columbia this 5th day of June in the year 2009.


for Al Hoffman, P.Eng.
Chief Inspector of Mines

PREAMBLE

A letter application dated April 25, 2008 requesting approval to extend the Valley Pit Westwall and the Highmont East Pit was submitted to the Chief Inspector of Mines, in accordance with Part 10 of the Health, Safety and Reclamation Code for Mines in British Columbia (Code).

The Application was referred to other agencies on May 5, 7, and July 22, 2008 in accordance with Part 10.3.1 of the Code.

A series of reports were also filed with the Chief Inspector and form part of the application. These are as follows:

- Report entitled "Baseline Environmental Inventory: Highmont South Area" dated December, 2007, by Summit Environmental Consultants Ltd.
- Report entitled "Highmont East Pit Expansion Slope Stability Assessment and Design", dated December 17, 2007, by Golder and Associates.
- Report entitled "Slope Stability Assessment and Design Valley Pit Proposed West Wall Push Back", dated May 15, 2006, by Golder and Associates.
- Report entitled "Highland Valley Copper Mine Plan Amendment Archaeological Impact Assessment", dated November 2008, by Arcas Consulting Archeologists.

The following First Nations, and associated Tribal Council/Associations have been consulted by MEMPR regarding their asserted aboriginal interests in the lands and resources comprising the area of this amendment: Shackan Indian Band, Lower Nicola Indian Band, Oregon Jack Creek Indian Band, Cook's Ferry Indian Band, Ashcroft Indian Band, Skeetchestn Indian Band, Bonaparte Indian Band, Nooaitch Indian Band, Nlaka'pamux Nation Tribal Council and Nicola Tribal Association ("First Nations"). In order to accommodate these interests, a number of measures have been incorporated as conditions of this permit. Additionally the First Nations will be provided copies of all ministry permits as well as the discharge and emissions permits issued by the Ministry of Environment for discharges to the air, land and water.

This permit contains the requirements of the Ministry of Energy, Mines and Petroleum Resources. It also is compatible, to the extent possible, with the requirements of other provincial ministries. The amount of security required by this permit and the manner, to which this security may be applied, will also reflect the requirements of those ministries. However, nothing in this permit limits the authority of other provincial ministries to set other conditions, or to act independently, under their respective permits and legislation.

Decisions made pursuant to this permit by staff of the Ministry of Energy, Mines and Petroleum Resources will be made in consultation with First Nations and other Provincial ministries and federal departments and agencies, within reasonable timeframes. Where these decisions directly affect the Ministry of Environment, Ministry of Agriculture and Lands or Ministry of Forests and Range, and the Environmental Assessment Office, all decisions will be made in concurrence with the appropriate Manager or Director.

CONDITIONS

The Chief Inspector hereby approves the work system and the program for protection and reclamation of the land surface and watercourses subject to compliance with the following conditions:

General

1. Compliance with *Mines Act* and Code

All work shall be in compliance with all sections and parts of the *Mines Act* and Code, and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

3. HVC Implementation Board

Within 90 days of receipt of this permit, the Permittee shall establish an Implementation Board to provide advice on environmental management, monitoring, reclamation, and closure activities of the Highland Valley Copper mine. The Board will be co-chaired a Ministry of Energy, Mines and Petroleum Resources representative and a First Nations representative. The Board shall consist of six (6) members comprising representatives from the Ministry of Energy, Mines and Petroleum Resources, Ministry of Environment, First Nations (3) and the Permittee. Terms of Reference and Operating Procedures for the Implementation Board will be established by the board in consultation with the Chairs. The meeting costs shall be borne by the Permittee

4. First Nations

The Permittee shall submit to the First Nations members of the Implementation Board, copies of all reports relevant to this permit, including annual monitoring reports and any changes to the approved Reclamation and Closure plans.

Health and Safety

Blasting and Safety

The Permittee shall set blast pattern design and loading to ensure long-term pit wall stability.

Geotechnical

1. Valley Pit Westwall and Highmont East Pit

- (a) The Permittee shall follow the recommendations in the design reports established by Golder and Associates.
- (b) The Permittee shall establish pit wall monitoring to include both approved instrumentation and visual monitoring aids. Prior to mining, the program shall be submitted, to the Inspector of Mines, Health and Safety (Mines Inspector) and it shall be available at all times for operation personnel to review.
- (c) The Permittee shall immediately report any unusual movement of the pit walls that is observed, or measured, to the Chief Inspector and Mines Inspector.

2. Valley Northwest and Valley South Dumps

- (a) The plan for the disposal of waste rock in the Valley Northwest and Valley South dumps as described in the Golder and Associates reports are approved.
- (b) The Permittee shall continue to monitor active waste dumps for stability.

Protection of the Land and Watercourses

1. Water Management, Sediment Control and Monitoring

(a) General

- i. The Permittee shall, when required to do so by the British Columbia Ministry of Environment, obtain permits and licenses for water diversion and discharge.
- ii. In the event that the minesite drainage is not of acceptable discharge quality, the Permittee shall collect and treat, or otherwise mitigate drainage for as long as is required.

(b) Sediment and Erosion Control

- i. Sediment control and water management structures shall be constructed and operational prior to soil disturbance.
- ii. Progressive reclamation shall be undertaken.

2. Soil Salvage and Storage

- (a) The Permittee shall salvage and stockpile topsoil for use in reclamation, and protect topsoil stockpiles through revegetation. All temporary soil stockpiles that will remain for more than 6 months shall be seeded with a cover of grasses and legumes to prevent erosion and to assist in maintaining viability of soil micro-organisms.
- (b) Soil stockpile areas shall be clearly marked in the field to ensure that they are protected during construction activities. The locations, origins and quantities of soil material shall be documented and reported in the Annual Reclamation Report.
- (c) Soil suitable for use in reclamation shall not be used as fill.

3. Vegetation Management

- (a) The Permittee shall limit disturbance of vegetation to those areas approved in the permit application.
- (b) Woody debris including stumps, roots, limbs and rotting logs that is generated during clearing and grubbing operations, shall be stockpiled in suitable locations for subsequent use in the reclamation program to enhance nutrient cycling unless it can be applied directly to a reclamation area.

4. Archaeological and Cultural Heritage Resources

- (a) Prior to beginning any mechanized surface disturbance on undisturbed lands, the Permittee shall have completed an archaeological impact assessment for the area of the proposed works. This study shall be designed and implemented in consultation with First Nations. A copy of the report shall be provided to the District Inspector and to the First Nations.
- (b) Within one year of receipt of this permit, the Permittee shall have completed a traditional use overview study of the Highland Valley Copper permit area. This

study shall be designed and implemented in consultation with the First Nations. The report shall be provided to the Mines Inspector and to the First Nations.

- (c) Archaeological and heritage sites which are identified during field archaeological studies shall be clearly marked and avoided where possible during construction activity.
- (d) For those sites where impact cannot be avoided, the Permittee shall use the "Chance Find Recovery" process and shall contact the Mines Inspector, the First Nations, and the Archaeology Branch of the Ministry of Tourism, Sport and the Arts and make arrangements under appropriate permits to scientifically excavate, record and report findings. Where practicable, this work should be done in a manner that respects the cultural heritage policies of the First Nations.

5. Air Quality

In the event that permitted air quality objectives set by British Columbia Ministry of Environment are not met, the Permittee shall implement remedial measures to ensure compliance.

Reclamation Program

1. Reclamation Security

- (a) The Permittee shall cause to be deposited with the Minister of Finance, additional security in the amount of Eight Million dollars (\$8,000,000.00) bringing the total security for this permit to Eighteen Million, Two Hundred and Fifty thousand dollars (\$18,250,000.00). The Permittee shall deposit the security in accordance with the following installment schedule. The security will be held by the Minister of Finance for the proper performance of the approved program and all the conditions of this permit in a manner satisfactory to the Chief Inspector.

	\$	<u>Cumulative \$</u>
<i>Security as of June 1 2009</i>		10,250,000.00
On or before December 31, 2009	2,000,000.00	12,250,000.00
On or before December 31, 2010	2,000,000.00	14,250,000.00
On or before December 31, 2011	2,000,000.00	16,250,000.00
On or before December 31, 2012	2,000,000.00	18,250,000.00
Total		<u>18,250,000.00</u>

- (b) The Permittee shall conform to all forest tenure and special use permit requirements of the Ministry of Forests and Range. Should the Permittee not conform to these requirements then all or part of the security may be used to cover the costs of these requirements.
- (c) The Permittee shall conform to all Ministry of Environment and Ministry of Agriculture and Lands approval, license, and permit conditions, including the *Environmental Management Act*, Contaminated Sites and Special Waste regulations, as well as requirements under the *Wildlife Act*. Should the Permittee not conform to these conditions then all or part of the security may be used to fulfill these requirements.
- (d) The Permittee shall conform to all *Land Act* tenure (permit, license of occupation, statutory right of way or lease) or *Water Act* license terms and conditions. Should the Permittee not perform any of the required obligations under any *Land Act* tenure or *Water Act* license, and then all or part of the security may be used to cover any costs or expenses incurred by the Province of British Columbia to perform any of these obligations or otherwise satisfy any outstanding obligation under any such tenure or license.
- (e) Over the life of the mine the security will be adjusted to cover the costs associated with carrying out all the conditions of this permit. Upon application by the Permittee, the amount of security in condition 1(a) may be reduced if initial mining or development work will create less disturbance and liability, or to reflect reduced liability due to reclamation work completed.

2. Reclamation/Closure Plan

On or before June 30, 2010, or six months prior to final closure (whichever is first), the Permittee shall submit a Reclamation/Closure Plan describing closure objectives and criteria for each mine component, providing the current status of the mine plan and reclamation obligations, a compilation and interpretation of all monitoring including ML/ARD prediction, water quality, closure and maintenance activities, any changes to the reclamation program that affect long-term mitigation, reclamation research program, contingency plans, schedule for completion of reclamation works, and a breakdown of outstanding liabilities and associated costs.

All other terms and conditions remain the same.