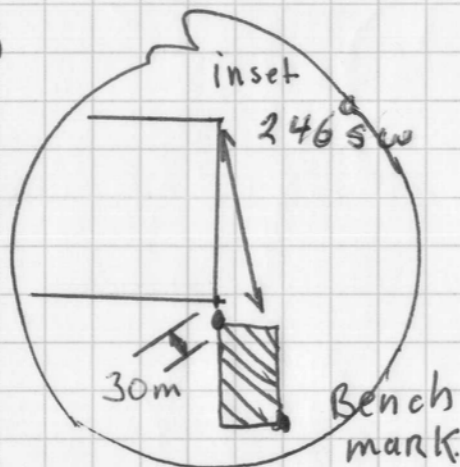


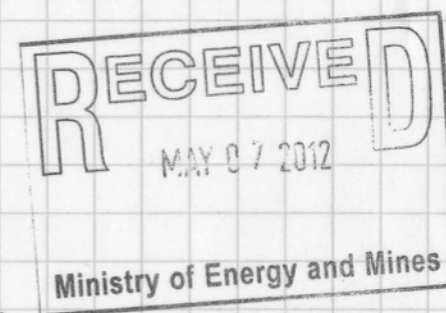
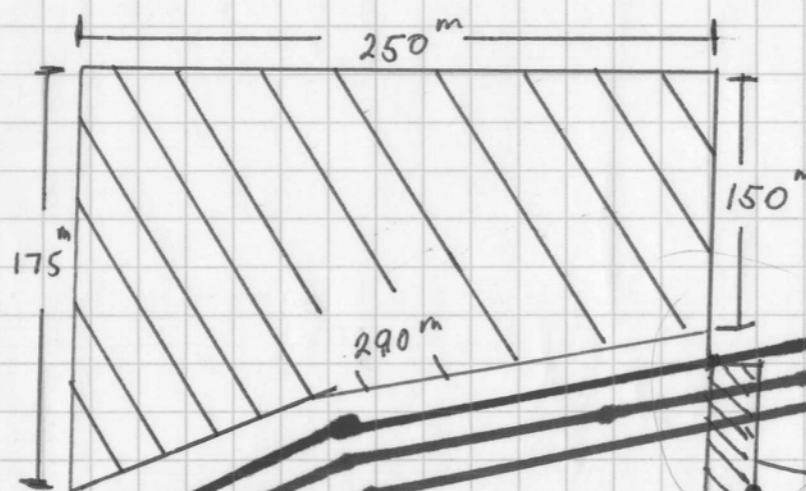
N.T.S.

Property Line

TO BE Removed



Quarry Edge



48.55 N Lat
123.6 W Long

April 25, 2012

Ministry of Energy, Mines, and Petroleum Resources
Mining and Minerals Division
8th Floor, 1810 Blanshard Street
Victoria, BC V8W 9M9
PO Box 9395 Stn Prov Gov't

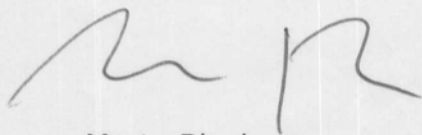
Attention: Mr. Ed Taje, Inspector of Mines

Reference: Mining Permit Amendment Request

This letter is to request an amendment to our permit No. Q-8-094 Stebbings Road rock quarry. We would like to apply for a section of the mine to be taken out of official footprint. This would in no way be a permanent boundary change and would revert back to an active mine site when non-mining activities are concluded.

Please refer to site plan.

Sincerely,



Marty Block
Managing Owner
250-216-9475

Enc (1)

Pope, Rue MEM:EX

From: Taje, Eddy MEM:EX
Sent: Monday, April 27, 2015 11:17 AM
To: Pope, Rue MEM:EX

s.14

Page 04 to/à Page 06

Withheld pursuant to/removed as

s.14

Pope, Rue MEM:EX

From: Taje, Eddy MEM:EX
Sent: Monday, April 27, 2015 11:10 AM
To: Pope, Rue MEM:EX
Subject: FW: SIA memo permit Q-9-094

-----Original Message-----

From: Narynski, Heather M MEM:EX
Sent: Thursday, November 14, 2013 11:55 AM
To: 'Matt Pye'
Cc: 'Marty Block'; 'Jeff Taylor'; 'David Mitchell'; Taje, Eddy MEM:EX; Warnock, George MEM:EX
Subject: RE: SIA memo

Thanks Matt,

Levelton's follow-up memo satisfies my requests. Please ensure Levelton's recommendations are incorporated into the design and construction of the facility. It is noted that Levelton's presence will be required onsite during certain periods, which may not be limited to:

-confirming waste-material properties, testing requirements, and construction specifications (compaction standard) -
confirming instrumentation requirements and installation -confirming condition of rock cuts and any requirements for
stabilization works subsequent to blasting -ensuring facility is constructed as per their design/recommendations

I have provided draft geotechnical permit conditions to Eddy Taje for his consideration.

Kind Regards,
Heather

-----Original Message-----

From: Matt Pye [<mailto:matt.pye@activeearth.ca>]
Sent: Thursday, November 14, 2013 9:27 AM
To: Narynski, Heather M MEM:EX; Taje, Eddy MEM:EX
Cc: 'Marty Block'; 'Jeff Taylor'; 'David Mitchell'
Subject: FW: SIA memo

Hi Heather,

Please advise if the attached memo from Levelton is sufficient to satisfy your outstanding request for clarifications on the geotechnical aspects of the closure plan for the SIA quarry.

Regards,
Matt

-----Original Message-----

From: Alec Morse [<mailto:amorse@levelton.com>]
Sent: November-13-13 4:26 PM
To: Matt Pye

Subject: SIA memo

> Hi Matt,

>

> Attached is our memo following review of the Seepage Blanket report

> you

send across. Let me know if you have any questions.

>

> Thanks

>

> [cid:image001.jpg@01CEE066.039CD960]<<http://levelton.com>>

>

> Alec Morse, P.Eng.

> Levelton Consultants Ltd.

> Geotechnical Engineer | Victoria

> Office<<http://www.levelton.com/contacts/>>

> P: (250) 475-1000 | C: (250) 889-2576 |

amorse@levelton.com<<mailto:amorse@levelton.com>>

>

> The information in this e-mail is confidential and privileged, and

intended solely for the addressee. If you are not the intended recipient of this message, access to the information it contains is unauthorized by Levelton Consultants Ltd. and disclosure, copying, distribution or any action taken as a result of this e-mail is prohibited and may be unlawful.

When addressed to a client of Levelton Consultants Ltd. any opinions or advice contained in this e-mail are subject to the terms and conditions in the governing engagement agreement.

>

>

Pope, Rue MEM:EX

From: Taje, Eddy MEM:EX
Sent: Monday, April 27, 2015 11:19 AM
To: Pope, Rue MEM:EX
Subject: FW: Revise Base Liner Design for Cell 1 and Time Extension Request for Soil Placement into Cell 1

From: Lachance, Luc ENV:EX
Sent: Monday, March 24, 2014 9:39 AM
To: 'Matt Pye'
Cc: 'Marty Block'; 'Jeff Taylor'; 'David Mitchell'; Bunce, Hubert ENV:EX; Taje, Eddy MEM:EX
Subject: RE: Revise Base Liner Design for Cell 1 and Time Extension Request for Soil Placement into Cell 1

Good morning Matt,

Thank you for your note and for the revised landfill cell design.

I will get back to you shortly on the design. As indicated in my previous note, I will work with MEM (Eddy Taje) to review your design as affects final closure. If not already done, I recommend that you submit your revisions to MEM and copy me on your communications. Preliminary discussions with MEM indicates that this revised liner design may not be acceptable.

In regards to your request to extend the temporary storage of dredgate in the soil management area, your request will be forwarded to the Director with recommendations.

Please send a formal request, signed and stamped, reiterating what you stated in the email below and include actions you have implemented and/or actions you will be implementing, if needed, to limit / reduce the generation of contaminated runoff water. Please also clearly indicate how long you wish to extend the storage.

Please feel free to call if needed,

Regards,

Luc Lachance, PEng

Sr. Environmental Protection Officer
Ministry of Environment

West Coast Region

ph (250) 751-3125 fax (250) 751-3103

2080A Labieux Road

Nanaimo BC V9T 6J9

24-hour Spill/Environmental Emergency Reporting: 1-800-663-3456 (Provincial Emergency Program)

24-hour RAPP (Report All Poachers and Polluters) tip-line: 1-877-952-7277 (Conservation Officer Service)

www.gov.bc.ca/env

 Please consider the environment before printing this email

From: Matt Pye [<mailto:matt.pye@activeearth.ca>]
Sent: Thursday, March 20, 2014 12:55 PM
To: Lachance, Luc ENV:EX
Cc: 'Marty Block'; 'Jeff Taylor'; 'David Mitchell'
Subject: Revise Base Liner Design for Cell 1 and Time Extension Request for Soil Placement into Cell 1
Importance: High

Luc,

Please advise if the attached design change is acceptable.

Today is 30 days from the initial receipt of soil to the Site and therefore we are in a hurry to get the soil placed into Cell 1. There have been some delays as we have been attempting to source suitable clay till and have been working with Levelton to determine the geotechnical stability requirements for the dredge material. In addition we have been busy with the appeal hearing which has been extremely time consuming and also working on commissioning of the WTP. Overall, we have things under control and it has just been a lot to take care of in a short period of time with some unforeseen difficulties arising. As a result, we will require an additional 1-2 weeks beyond the 30 days to get the initial soils received into Cell 1. Please advise if a formal written request is required beyond this email and I will provide it. If a

Page 10

Withheld pursuant to/removed as

s.13



The Best Place on Earth

Aug 16, 2013

Marty Block: Manager
South Island Aggregates Ltd.
497 A Garbally Road
Victoria, BC V8T 2J9

Dear Mr. Block:

Re: MOE Waste Management permit.

As the MOE permit has been issued and as this permit requires two wells drilled with core being taken, this letter is to clarify that under the terms of your Mines Act permit there are no prohibitions to undertaking that component of the MOE permit. This clarification/authorization includes the installation of the monitoring equipment in the wells along with the taking of the core.

Please ensure the drilling contractor and employees receive the necessary site safety orientation.

Please advise us of the projected drilling dates, and when the drilling has actually started. A Geologist from the GSB intends to attend the site to exam the core to supplement the report on field work already undertaken by the GSB.

Yours truly,

Ed Taje: Manager Regional Operations.
Health and Safety, UG Coal Specialist.

Cc: H. Bunce: MOE
K. Hancock: GSB

Ministry of Energy, Mines and
Petroleum Resources

Mining & Minerals Division
Southwest Region

Mailing Address:
PO Box 9395, Stn Prov Govt
Victoria, BC V8W 9M9
Telephone: (250) 952-0732
Facsimile: (250) 953-3878

Location:
340 Floor.
1675 Douglas Street
Victoria



Ministry of
Energy and Mines

May 7, 2012

File:14675-30-1610355

Marty Block
South Island Aggregates Ltd
Manager
P.O. Box 282
Malahat BC V0R 2L0

Dear Mr. Block:

Re: Request to amend Mine Footprint – Permit Q-8-094

Your letter, dated April 25, 2012, in request to remove a portion of your mine area at the South Islands Aggregates quarry at the Stebbings Road location was received on May 3, 2012.

The request is authorized and your mine area has been amended according the submitted mine plan showing that area to be removed. Unless modified by this amendment all conditions of permit Q-8-094 remain in force.

Sincerely,

Maryann Bouffard
Inspector of Mines

Cc: Reclamations Office, Victoria

March 5, 2014

South Island Aggregates Ltd
PO Box 282
Malahat BC: V0R 2L0

Att: Mr. Marty Block: Manager

Dear Mr. Block:

RE: Site Visit, Waste Cell Construction – Permit # Q8-094

Following my site visit today and our Telephone Conversation this AM, I will in this correspondence , explain concerns raised by my observations, and actions required.

First I must clarify the following:.

- Nothing in the existing permit prevents the Manager from constructing, or undertaking preparation work for the waste cell as permitted by the Ministry of Environment. This work does not compromise the end land use as stated in the Mine's Act Permit.
- Until the Mines Act permit Q-8-094 accepting the use of the waste cells as the final end land use, and subject to conditions set by the Ministry of Environment , and conditions as will be established in the Mines Act permit, amendment, no contaminated material will be imported , transported or deposited within the footprint of the mine (Quarry)as defined in Permit -8-094.

Construction of the waste cells shall conform to the information in the following documents, and the conditions as will be set in the Mines Act permit amendment

- Active Earth, Technical Assessment, for Authorization to Discharge Waste, August 2012
 - Sec 8.2 Pg 82: *if required, overlaying the bedrock re-moulded clay till may be placed to provide , level working surface---*
- Active Earth, presentation including statements in response to Lowen Hydrology report., Dated 5/12/13 states "*Clay till liner over bedrock*"
- Active Earth Presentation at Public information meeting July 12, 2014
 - Slide title Cell Design and Construction; Multi-Barrier Approach, bullet 3 "*Clay Liner over Bedrock*"
- From Public Meeting minute taken and distributed by CVRD :
 - Page 14, David Mitchel speaker: "*underlying the the soil management pad is a number of liners of bedrock, and if ther was any leakage through the asphalt it would be caught by liner. If anything was to get through the liner the second leak collection system is layer of clay, and below that is a layer of bedrock.*"
- Active Earth, October 24, 2013 Geotechnical Assessment report to Ministry of Energy and Mines, addressed to Ms. H. Narynski, Senior Geotechncal Engineer, and Myself, Eddy Taje, Regional Manager., Page 2 "*The material comprising the clay liner should be placedand compacted at its optimum moisture content and compacted with a sheepsfoot roller in maximum 250 mm thickness lifts?*"

Ministry of Energy, Mines and
Petroleum Resources

Mining & Minerals Division
Southwest Region

Mailing Address:
PO Box 9395, Stn Prov Govt
Victoria, BC V8W 9M9
Telephone: (250) 952-0732
Facsimile: (250) 953-3878

Location:
6th Floor.
1810 Blanchard Street
Victoria

The material I was being placed above the bedrock was not clay, nor did it appear to have a significant clay content.

Therefore: All work on placing the initial clay layer above the bedrock shall cease as of 07:30 hrs March 5 as verbally communicate to B. Millagin on this morning.

Material placed above the bedrock shall be clay placed in 250 mm lifts, and compacted to 95 standard proctor, until the clay liner is 1 meter (compacted) thick.

Material placed shall be verified by a suitable Professional registered in British Columbia as clay. In addition the Manager shall provide the Inspector a signed (Suitable Professional Registered in British Columbia) "As Built" on the completion of the installation of the clay liner. This Submission shall include the signed verification of the material used (clay) and that the installation complied with the conditions outline in the Geotechnical Assessment Report, ie. Thickness of lifts, compaction standard met, and the thickness requirement met.

I appreciate that in some of the documents submitted there is reference to a clay/till base or liner above the bedrock. Please note Section 10 subsection (3) of the Mines Act. What this means is that the permit may contain conditions deemed necessary by the Chief Inspector. Under Section 6 of the Mines Act, I have the delegation of the chief Inspector and am the Statutory Decision Maker on this amendment application. Your are advised these decisions and directive will form part of your permit, and contaminated material will not be permitted into the cells unless these conditions are met.

Should you have any questions or concerns please contact me.

Yours truly,

Ed Taje: Regional Manger: Coast Area
Senior Inspector of Mines.

Pope, Rue MEM:EX

From: Matt Pye <matt.pye@activeearth.ca>
Sent: Wednesday, May 20, 2015 12:08 PM
To: Leuschen, Allan ENV:EX; 'Mike Kelly'; 'Marty Block'; Downie, AJ ENV:EX
Cc: Taje, Eddy MEM:EX; Dunkley, Jim R MEM:EX; Hoffman, AI MEM:EX; 'Todd Mizuik'
Subject: RE: Permit 105809 - EAB DIRECTIONS - DRAFT PERMIT AMENDMENTS

Gentlemen,

As requested, please see the following comments/clarifications on the draft permit amendment:

1:200 year storm

The Environmental Procedures Manual section 7.1 states that a 1:200yr storm event plus snowmelt is 181.4mm. Removing the snowmelt gives a trigger 200yr storm event of 151.4mm. The on-Site rain gauge will be used to determine when a 200yr storm event has occurred. Daily monitoring of the rain gauge is part of the daily records described in the EPM.

If a 200yr event occurs (determined by the trigger 24hr rainfall accumulation of 151.4mm or greater), samples will be collected from surface water sampling locations for the full suite of parameters included in the quarterly monitoring program. Monitoring of locations SW-1, SW-2 and SW-3 is assumed to be the intent of the EAB decision.

Time-frame for Roof over SMA

The following wording (or similar) is requested: "A roof structure will be constructed over the SMA no later than March 1, 2016. However, all reasonable actions will be taken to have the roof completed by October 31, 2015."

The rationale for the above-requested dates are as follows:

- The roof cannot be constructed until the Mines permit is amended and soil is moved out of the SMA (hopefully the Mines permit amendment is forthcoming)
- It is anticipated that a building permit will be difficult to obtain from the CVRD (may cause delays)
- The original permit did not require a permanent roof because the facility is designed to operate without it.
- Any soil in the SMA is required (in the permit) to be covered during wet weather in the permit (the roof is a permanent cover but not the only option).
- There is no significant change to impacting the environment by adding the roof, and it is not a requirement (as far as I know) at any other similar facility.
- The roof is a "nice-to-have" and not a necessity.
- The roof is costly and there are significant cash flow hardships being experienced, including ongoing legal challenges, that result in the request for maximum flexibility

Overall, the intent is to construct the roof as soon as possible and before this winter. Given that there is some uncertainty and anticipated difficulties, we are requesting maximum flexibility on the dates put into the amendment.

Thank you for your considerations and request for comments on the draft amendment.

Sincerely,

Matt Pye, P.Eng.
Principal, Senior Hydrogeologist
Active Earth Engineering Ltd.
105-4343 Tyndall Ave, Victoria, BC V8N 3R9

-----Original Message-----

From: Leuschen, Allan ENV:EX [<mailto:Allan.Leuschen@gov.bc.ca>]

Sent: May 11, 2015 9:17 AM

To: Matt Pye; 'Mike Kelly'; Marty Block

Cc: Taje, Eddy MEM:EX; Dunkley, Jim R MEM:EX

Subject: Permit 105809 - EAB DIRECTIONS - DRAFT PERMIT AMENDMENTS

Importance: High

Greetings: As a result of the Environmental Appeal Board decision and directions , attached are draft permit amendments. Please review the draft permit amendments.

With regard to section 3.6 Receiving Environment Sampling, please provide details regarding how the 1-in-200 year, 24-hour storm event will be determined, and how immediately the sampling will begin. Related details are also requested regarding the 1 in 10 year event referred to in sections 1.5 and 3.4 of the permit. These details must be included in the Environmental Procedures Manual (section 2.13 of the permit).

COMMENTS REGARDING THE DRAFT PERMIT AMENDMENTS MUST BE RECEIVED BY MAY 18, 2015. SEND COMMENTS TO MY EMAIL allan.leuschen@gov.bc.ca

Please confirm receipt of this email. If you have any questions or concerns please contact me. Thank you.

A. Leuschen
Senior Environmental Protection Officer
Authorizations – South
Environmental Protection Division
Ministry of Environment
tel 250 751-3199
allan.leuschen@gov.bc.ca

Pope, Rue MEM:EX

11610355

From: Pope, Rue MEM:EX
Sent: Friday, March 7, 2014 11:40 AM
To: 'marty.sia@shaw.ca'; 'barb.sia@shaw.ca'
Cc: Narynski, Heather M MEM:EX; Bunce, Hubert ENV:EX
Subject: Re: Waste Cell Construction
Attachments: Conditions added to permit re Waste Cell construction - Mar 6 2014.pdf

Good afternoon: Please find attached a letter from Ed Taje, Regional Manager, Ministry of Energy and Mines, to South Island Aggregate regarding Waste Cell construction.

Thank you,

Rue Pope

Administrative Assistant
Coast Area Mining Division
Office: 250-387-4832
Fax: 250-953-3878
PO Box 9395, Stn Prov Govt
Victoria, BC V8W 9M9
Ru.Pope@gov.bc.ca



March 6, 2014

Marty Block: Manager
South Island Aggregates Ltd
PO Box 282
Malahat, BC V0R 2L0

Dear Mr. Block:

RE: Site Visit: Waste Cell Construction – Permit # Q-8-094

Following my site visit today and our telephone conversation this morning I will, in this correspondence, explain concerns raised by my observations and outline actions required.

First I must clarify the following;

Nothing in the existing permit prevents the Manager from constructing, or undertaking preparation work for the waste cell as permitted by the Ministry of Environment. This work does not compromise the end land use as stated in the Mine's Act Permit in place at this time.

Until the Mines Act permit Q-8-094 amendment is approved for the use of the waste cells as the final end land use, no contaminated material will be imported, transported, or deposited within the footprint of the mine (Quarry) as defined in Permit Q-8-094. Any future Mines Act permit amendment will be subject to conditions outlined by the Ministry of Environment, and any conditions set within the Mines Act permit amendment.

Construction of the waste cells specifically related to the proposed "clay" liner shall conform to the information in the following documents and the conditions as outlined in the Mines Act permit amendment;

Active Earth, Technical Assessment, for Authorization to Discharge Waste, August 2012
Sec 8.2 Pg 82: if required, overlaying the bedrock re-moulded clay till may be placed to provide level working surface.

Active Earth, presentation including statements in response to Lowen Hydrology report, dated 5/12/13 states "Clay till liner over bedrock".

Active Earth Presentation at Public information meeting July 12, 2014
Slide title Cell Design and Construction; Multi-Barrier Approach, bullet 3 "Clay Liner over Bedrock"

From Public Meeting minute taken and distributed by CVRD :

Page 14, David Mitchell speaker: "underlying the soil management pad is a number of liners of bedrock, and if there was any leakage through the asphalt it would be caught by the liner. If anything was to get through the liner the second leak collection system is a layer of clay and below that is a layer of bedrock."

Active Earth, October 24, 2013 Geotechnical Assessment report to Ministry of Energy and Mines, addressed to Ms. H. Narynski, Senior Geotechnical Engineer, and myself, Eddy Taje, Regional Manager; Page 2 "The material comprising the clay liner should be placed and compacted at its optimum moisture content and compacted with a sheepsfoot roller in maximum 250 mm thickness lifts"



The material that I observed being placed above the bedrock was not clay, nor did it appear to have significant clay content.

Therefore all work on placing the initial clay layer above the bedrock shall cease as of 07:30 hrs March 5 as verbally communicated to Barb Milligan on this morning.

Material placed above the bedrock shall be clay placed in 250 mm lifts, and compacted to 95% standard proctor density until the clay liner is 1 meter (compacted) thickness.

Any material placed for the liner shall be verified by a suitable Professional Engineer, registered in the Province of British Columbia, as meeting the specified design requirements for grain-size and compaction standards by appropriate testing methods. In addition, the Manager shall provide the Inspector a signed and sealed "As Built drawing" by a suitable Professional Engineer upon the completion of the installation of the clay liner. This submission shall include the signed verification of the material used (clay) and that the installation complied with the conditions as outlined in the Geotechnical Assessment Report ie: lift thickness, compaction standard and final thickness.

I appreciate that in some of the documents submitted there is reference to a clay/till base or liner above the bedrock. Please note Section 10 subsection (3) of the Mines Act. What this means is that the permit may contain conditions deemed necessary by the Chief Inspector. Under Section 6 of the Mines Act, I have the delegation of the Chief Inspector and I am the Statutory Decision Maker on this amendment application.

You are advised that these decisions and this directive will form part of your permit and that contaminated material will not be deposited into the cells unless these conditions are met.

For purposes of clarity, the definition of Clay is as found in the "Dictionary of Mining, Mineral, and Related Terms" published by the US. Department of the Interior, Bureau of Mines.

Should you have any questions or concerns please contact me.

Sincerely,

Ed Taje
Regional Manager
Coast Area
Ministry of Energy and Mines

Cc: H. Narynski, Senior Geotechnical Inspector
H. Bunce, Ministry of the Environment