

Inspection Number:

File Number:

Total Orders:

098106

Permit Number:

MX-1-977

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## Report of Inspector of Mines - Permitting

Issued pursuant to Section 15 of the Mines Act

Mine Name/Number Porter-Idaho 0101399 Visit Date 2018-08-15

Type of Mining ES. EXPLORATION - SURFACE Location

**Latitude/Longitude** 55.90611, -129.92611 **Northing/Easting/Zone** 442102, 6196017, 9U

Manager Ron Nichols Permittee Mt Rainey Silver Inc

Phone Numbers (604) 684 8725 Address 650 - 1021 West Hastings Street

Vancouver BC V6E 0C3

Inspector Andrea Ross, INSPECTOR Accompanying Inspector Megan Frederick, Inspector;

Address 2nd Floor, 3726 Alfred Avenue

Email mcathro@skeenaresources.com

Smithers, B.C. V0J 2N0

In Attendance George Alexcee, Skeena; Brett Godwin, Skeena

Copies to

The Mine Manager is required to provide a written response within 15 days of receiving the inspection report. The Manager's response must outline the remedial steps taken by a specified date and the work still outstanding. A copy must be provided to the inspector, and in the case of health and safety matters, the occupational health and safety committee and the local union. In this document, Code means Health, Safety and Reclamation Code for Mines in British Columbia.

## Preamble

On August 15, 2018 Andrea Ross, Senior Inspector of Mines, Permitting and Megan Frederick Inspector of Mines, Permitting conducted an onsite inspection of the Porter Idaho Property to verify compliance with the *Mines Act*, the *Health Safety and Reclamation Code for Mines in British Columbia* and Permit MX-1-985. The following orders are a result of this inspection.

At the time of the inspection there were 13 people on site including management, employees and contractors.

## Area Inspected 1: Camp

# Latitude/Longitude:

# Northing/Easting/Zone:

The camp contained 13 Matrix fly-in structures on pads, 3 weather havens, 1 outhouse, 1 incinerator, 1 fuel station, 1 helipad. General housekeeping was fair. General housekeeping in the First Aid tent, fuel storage and incinerator can be improved.

Inspector	Manager Initials	Report Date: 2018-08-29	Porter-Idaho 0101399
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Order 1 (Inspection Mines):	Status: Open
Issued Pursuant To: Mines Act Section 15(4)	
Section 4.3.8, Health, Safety and Reclamation Code for Mines in BC (MA), Fire Protection and Con-	trol
Observation of Contravention:	
It was observed that the secondary containment tray at the fuel station contained debris and fluid.	
Remedial Action/Results To Be Obtained:	
The manager shall ensure that all secondary containment remains free of debris and water.	
To be remedied in 7 days.	
Rectify By/Completion Date: 2018-09-05	
Manager Response:	
Order Attachments:	

Inspector Manager Initials Report Date: 2018-08-29 Porter-Idaho 0101399

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Photo is of the secondary containment at the fueling station.

## Order 2 (Inspection Mines):

Issued Pursuant To: Mines Act Section 15(4)

Section 4.3.8, Health, Safety and Reclamation Code for Mines in BC (MA), Fire Protection and Control

### Observation of Contravention:

It was observed that fuel drums at the incinerator did not contain secondary containment and should be better secured to the platform.

#### Remedial Action/Results To Be Obtained:

The manager shall obtain a secondary containment unit under the incinerator fuel drums, in addition to a spill kit and fire extinguisher.

To be remedied in 15 days.

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Rectify By/Completion Date: 2018-09-13

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Status: Open

Ма	anager Response:				
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#### Order Attachments:



The photo illustrates the fuel drums without secondary containment at the incinerator.

## Advisory 1

It was observed in the First Aid structure that food for the kitchen was being stored. The food needs to be removed into a separate area to allow for adequate space for the First Aid attendant and essential First Aid supplies. In addition to the removal of food the patient bed should be kept clear of debris and ready for use at all times.

Respond Date:

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Advisory	2
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It was observed that the camp location was on a steep cliff and the structures were not secured to the ground in any way.
During conversations with the camp manager, it was stated that the camp would stay over winter. The company should
evaluate if structures should be left over winter and if so, what sort of precautions need to be done to ensure the camp will
not be at risk of avalanche or lost to snow load.

Advisory Response:

Respond Date:

## Area Inspected 2: Drill

#### Latitude/Longitude:

# Northing/Easting/Zone:

Status: Open

After the camp visit, we arrived at the drill via helicopter landing on snow near the drill. There was a water pump, generator and barrel of fuel near the landing area. The drill was not operating at the time of the visit as they were in the process of spinning the drill to complete another hole from that pad.

#### Order 1 (Inspection Mines):

Issued Pursuant To: Mines Act Section 15(4)

Section 9.11.1, Health, Safety and Reclamation Code for Mines in BC (MA), Drilling

Section 4.3.8, Health, Safety and Reclamation Code for Mines in BC (MA), Fire Protection and Control

#### Observation of Contravention:

It was observed that the fuel drum near the water pump supplying the drill did not have secondary containment, a spill kit or fire extinguisher and the fuel drum did not have a self-sealing break-away fitting on the fuel delivery hoses. Please refer to the BC Fire Code in Div. B, Part 4, Section 4.6.5.2(4).

Remedial Action/Results To Be Obtained:

The manager shall install self-sealing breakaway fitting on all fuel delivery hoses.

To be remedied in 30 days.

Rectify By/Completion Date: 2018-09-28

Manager Response:

Order Attachments:

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The photo illustrates a fuel drum near the drill pad and the water pump. It is missing a spill kit and secondary containment.

## Order 2 (Inspection Mines):

Issued Pursuant To: Mines Act Section 15(4)

Section 4.3.8, Health, Safety and Reclamation Code for Mines in BC (MA), Fire Protection and Control

#### Observation of Contravention:

It was observed that auxiliary fuel containers, aka Jerry Cans, at the drill did not have secondary containment.

Status: Open

Remedial Action/Results To Be Obtained:

The manager shall ensure all fuel containers have adequate secondary containment as per the Code.

To be remedied in 15 days.

Rectify By/Completion Date: 2018-09-13

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## Order Attachments:



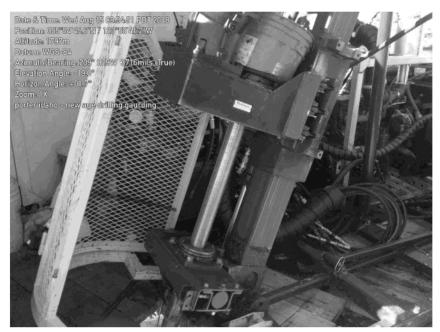
The photo illustrates the drill during the move. In the photo the Jerry Can did not contain secondary containment. Two fuel barrels (empty) were waiting to be removed.

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Order 3 (Inspection Mines):	Status: Open
Issued Pursuant To: Mines Act Section 15(4)	
Section 1.9.1, Health, Safety and Reclamation Code for Mines in BC (MA), General	
Observation of Contravention:	
It was observed that guarding was not in place on the drill (both on the rods and over the wireline d	rum).
Remedial Action/Results To Be Obtained:	
The manager shall ensure all pieces of rotating equipment are effectively guarded.	
To be remedied in 15 days.	
Rectify By/Completion Date: 2018-09-13	
Manager Response:	
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Guarding was missing from drill. We talked with the driller about this where he said he would have the cage on when drilling.



Guarding over wireline drum is missing.

# Area Inspected 3: Geology Laydown

## Latitude/Longitude:

# Northing/Easting/Zone:

Following the drill visit, we flew to the geology helipad. We left the helipad and walked up to the geology core logging tent. Core was stacked on the floor and around the pad waiting to be cut. General housekeeping was adequate.

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Received by		on	
	[Mine Manager Name, Title]		[Date]
Signature:			

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