889627

WINDY CRAGGY COPPER/COBALT/GOLD/SILVER PROJECT KEY MDRP AGENCY MEETING WITH GEDDES RESOURCES LIMITED STAGE I SUBMISSION REVIEW

Date:

Thursday, July 5, 1990, 9:00 a.m.

Place:

Office of Steffen, Robertson and Kirsten 800 - 580 Hornby Street, Vancouver

PROPOSED AGENDA

1. Introduction/Purpose of Meeting

2. Project Planning Update

- Results of recent proponent sponsored public meetings.
- Planning for project components in Alaska.
- o Communication with Alaska State/U.S. Federal Review Agencies.

3. Summary of Stage I Review Comments

- o Stage "II".
- Outstanding Stage I issues.
- o Revised Stage I plan.
- Further ARD meetings/information exchanges.

4. Integration of Further Submissions

5. Timing of Further Submissions

6. Other Business



Province of British Columbia

ENGINEERING AND INSPECTION BRANCH Ministry of Energy, Mines and Petroleum Resources

MEMORANDUM

To:

Ralph McGinn

Anne Currie

John Errington

Tom Schroeter

Lisa Cox

David Parsons

Garry Alexander

Frank Rhebergen

Bruce Letvak

Date: July 4, 1990

File:

15140/Windy Craggy

Re: Windy Craggy Project - Stage I Review Meeting

This memo confirms the key MDRP agency meeting with Geddes Resources Limited tot discuss the Stage I review comments and the requirement for a revised Stage I submission. The meeting is scheduled for July 5, 1990, 9:00 a.m., at the offices of Steffen, Robertson and Kirsten, 800 - 580 Hornby Street. A proposed agenda is attached.

I appreciate your efforts to attend this important meeting.

for Norman Ringstad

Chairman

Mine Development Steering Committee

c/o Engineering and Inspection Branch

Mineral Resources Division

NR:sf

Attachment: Proposed agenda

cc: Keith Somerville

Geddes Resources Limited



Province of British Columbia

Ministry of Energy, Mines and Petroleum Resources

MEMORANDUM

July 4, 1990

1514)/Windy Craggy

Date:

File:

0

0

(3)

British C

To: Ralph McGinn

Anne Currie
John Errington

and the second s

Lisa Cox

David Parsons
Garry Alexand

Frank Rheber

Bucalevak

Re: Windy Crasgy Project - Stage I Review Meeting

This means confirms the key MDRP agency meeths with Gedd's Tesources Limited tot discuss the Stare I vaview comments and the requirement or a revised Stage I submission. The method cheduled for July \$ 1990, 9:00 a.m., at the Starten, Robertson and Kister, 100 - 580 Homby Seet. A proceed agenda is stracter.

10

I appreciate your efforts as and important meeting

Norman Ringstad

Chairman

Mine Development Steering Commit/C

c/o Engineeriag and Inspection Braych

Mindral Resolute Vivision

NR:si

Attackment: Poposed agenda

c: Keith Somervill

Geddes Resources Limited

SRK offices + Van. WINDY CRAGBY - Stage 1 Review 9:15am - 1:45 pm Summary of Stage 1 Review Comments - outstanding is sues (Stage 1) = AMD, (ARD) Lisa Cox: - blanding of waste it. on glaciers (Fiv. Can.) - treatment of waste rk. from dumps, et / pit seapage water Gary Hexander: - mine access road - could be handled at stage II but (MOE) could use more data 'now' Frank Rhebergen: AMD - disposal of waste rk. on glaciers (MOE developing (MOE) policy now)

Bruce Letvak: Tailings pond - technical, enothquake,

(MOE) Road - wildlife studies, water management Gary Alexander - Mot not separted Stage I vs Stage 2
(mot) requirements (as Envir. Can has done)
Ralph Mcbinh; AmD - developing policy - esp, waste rk. under water
(EMPR) - blending of waste rk. - orant a glacier - not acceptable. - company to determine mining nettrod (i.e. 4/6 is open pit) - satety - working on defings - tailings impoundment - groundwater contamination, wet option for abandonment preferred. - road concerns -> stage II - stability of tailings Inpoundment -> Stage III - Ministry proponent (if e conomically feasible) Ringstad (a) 2 Policies - 1) AMD - (som) 2) Glaciers - waste disposal (- early stages) a) Compendium of review comments - to be made public (thru MORP) Sanerville: Stage 1 Kevised Plan - overall direction = a) Process concepts - open pit, U/G technical/economics) trucking - moterial handling (eg. high sulfide waste rki) = pipelines - capacity - 'new ore reperus - ipt. from Flour-Daniels by August

b) Waste Management - i) under water (tailings + Amo waste rock)
ii) "heap" disposal for + net neutralizing naterial - attempt to - need to delineate wasterock (geological) - types, location, quantity stage of mining

- characterization of waste rock -> newtralizing, acid generating, etc.

(Ich work from doth; leach pad tests; column tests, etc.)

- field programs (in progress) - wasterock fore relationship

- surficial work - hydrology, glaciology Robinson: Options - 1) have over glacier b) tunnel to south Tats valley

- sufficient storage, space - net acid gen. material - under water

- currently drilling from surface to get more into to

characterize rock above the orebody (lacking into to date)

- test older drill holes + ICP correl. (ABA tests). - start drilling in pond area (13) - geotechnical stability, groundwater quality

- glaciation study - upc - plus 2 dd/n to base of Tats glacier

- plan to put waste material on Frobisher + Tats glacier

assuming not acid generating Ferguson: April and high NNP - ones to water Lerguson: Shill examing! — NNP to Send index of surface of the server of the surface of the server of the serve

Brodie! - look closely at nock characters (block models') - as economics dictates. - address uncertainties re- underwater us surface impoundment Zorkin; duny of waste rk. on glacier

Somerville: Pit - ore/waste controls' eq. 122 m influence blocks

Rhebergen: Method of PBA and yses? eq. B. Research method

- need to differentiate between different methods used,

Zorkin: Test Programs i) quantities volumes of waste rocks - acid
base accounting t kinetic (humidity cells - reactivity) - use-existing cores - new drilling (125 ald. ABA samples) - ICP data wit calcium particularly ii) waste management plans - waste rack dumsing on glacier (non-acid generating)— to demonstrate! (determine cut of point) data avail. for Stage II rpt.

(ox, Ferguson: deed to address putting waste rock on the glacier with the long term effects! Fergusan: "Implulatives of sulphidas karbonates are specifically treated in column tests ey, framboidal py, missive po, etc.

"use range of kinefix tests to obtain ABA data from all' making a peneral waste rock model for specifically in the series of the property on the glacier.

Robinson: Working in developing a general waste rock model (with sek Eng.)

Letvak: Option of not dumping on the glacier.

Robinson: —economically not feasible to take down (~12km).

Alexander: Kesults of 4/6-study be part of stage 1?

Somerville: Yes — but 4/6- (a) this time) will only be "supplemental" Ringstadi Important to identity option of other place to dump waste rk. (not on glacier) — for sake of the public.

Robinson: Will Ao-but other option most probabily not economic.
Alexander: Ministry Court Policy - eg. mining of ice to got
at south Zone. All Ginn; anestrons policy—should be treated as site specifice

(i.f. political)

Ringstad; Glaciology study could be very important!

MOE should identify (i.e. issue) waste rock dismprey

onto glaciers.

Alexander! Recognizes need for MOE to expedite 'glaciology' issue

Robinson; Wints to ensure industry/public input, may have

to be site-specific to address expediency.

Cox; Technical comments (cf. policy comments)

Zorkin: (untd) ii) under water disposal phin - 'flooded' test columns.

- transport/placement of rk. prior to being put under water.

iii) pit walls - the metical modelling

Let vak; water balance in pits imputtant - uncertainty. Let vak; water balance in pits important - uncertainty

Rhebergen; mot doesn't consider collection/treatment of

Alexanders AMD ever a long period is viable.

Robinson! AMD corning Into glacier now t for previous yes.

Rhebergen: - relative rates of weathering (g. 50 yes. form now)

Robertason: sub-summary Reference Sub-summary

Ringstad! Do key agencies understand company's current plans?

Cox: Yes — collection threatment for Stage 1 (write dums and pit)

Rhebergen: Yes — need more discussion re-tailings imprundment

(maintenance into perpetuity), Stage II

Ringstad! Do key agencies need a Geddes written submission for

'focussed' Stage 1 study (in progress)

Rhebergen: Want subsequent neetings to provide consultative proph.

Alexander: Problem (wheasy) with putting waste rock on glacier

- public interest — portions must be stated clearly.

- also road corridor

Ringstad! Ferguson! Jerm. Public comments, considered but no direct decision nation waste it on glacier - contingency? - short /medium/ /mg mot will be very conservative Rhebergen! Ey, Zn levels Natural weather mixigations Robinson: N'eed for a 'revised' Stage 1 mine plan ('focussed') Ringstad: -- Further meetings? - as regd: Non July 18th - asked Schroeter for any GSB comments? - none 12:45 - Reconvene Agenda Item # 2 Somerville: Results of public into meetings & Alaskan' issue

-il Consultant, Craig Aspinal, preparing a rpl, on public meetings-int,

quistions by topics. — quall next week -> more

-ii) Newsletter planned - identify a short list of inest common' topics.

(layman's language) — Hugust

-iii) Technical seminars — by Geddes, SRK, Norecol -> to communities - plan not yet completed for Alaskan' issue - esp. Haines people

Alaska - engineering study of transport of concentrate to sea port

engaged - avail by Sept. I . Feasibility by Imig!

(the initially based on truck haul) - Eng. gp. from Anchorage

- socio-economic study in Haines (based on trucking option)

- unvironmental aspects in Government of (reconizes its importance)

Ringstad: Have your studied pipeline scenario? Concentrate fuel

Senerville: Yes (Wright Eng.) - concentrate. fuel-no -> by Aug. For Discourage Ringistadi Use of road, tour - Alaskan permits - MDRP dres not have any jurisdiction; however, will help to establish a link with appropriate Grit agencies.

6

Ringstal (and) - meeting in Seattle last wk. with Ringstad Cox + key US

officials - technical info exchange (ad hoc group)

(cox: - Need (play) for Geddes to confact US Groups!

(Previous sleas apparently not afed upon) Contact: Carrie Howard

- requiret (suggest) that Geddes submits a tandem' rpt.

(along with the 'focussed' stage 1 Kpt.) to Alaskan agencies

- also suggest to do labore verbally.

- file rpts. at same time (MDRC/Alaska)

Rinartad: Comments (suggestions see Alackan meetings on terms Ringstadi Comments/suggestions re- Alaskan meetings og terms of reterence - Important to interact with Alaskan officials Timing of Supmissions? Somewille morel engineering data by Aug.
- focussed Stage I rpt. by Sept. '90 Kingstadi Summary: (Chairman) - optionis - exoromics lenvironment Somerville: Keguest for data as reclamation scenario Errington: Suggests company should provide plan with guestinke McGinn: EMPR needs were into -like to amortize over mine lite Robinson: SRK to provide input to Geldes

July 5/20



Environmental Consultants Ltd.

Suite 700 1090 West Pender Street Vancouver, B.C. Canada V6E 2N7 Telephone: (604) 682-2291 Fax: (604) 682-8323

Niko R. Zorkin Ph.D. Vice-President



Environmental Consultants Ltd.

Suite 700 1090 West Pender Street Vancouver, B.C. Canada V6E 2N7 Telephone: (604) 682-2291 Fax: (604) 682-8323

James G. Malick Ph.D. Executive Vice-President



M. John Brodie, P.Eng. Geotechnical Engineer

Steffen Robertson and Kirsten (B.C.) Inc. Suite 800, 580 Hornby Street, Vancouver, B.C. Canada V6C 3B6 Phone: (604) 681-4196 Fax: (604) 687-5532



Keith E. Robinson, P.Eng. President

Steffen Robertson and Kirsten (B.C.) Inc. Suite 800, 580 Hornby Street, Vancouver, B.C. Canada V6C 3B6 Phone: (604) 681-4196 Fax: (604) 687-5532 Home Phone: (604) 926-0604

P.G. (Phil) Claridge, P.ENG. Project Manager



GEDDES RESOURCES LIMITED

GUINNESS TOWER #1080 1055 W. HASTINGS ST., VANCOUVER, B.C. V6E 2E9
TEL. (604) 682 2392 FAX. (604) 682 7047



Environment Canada

r og skrive stat, at de ved k Posket at Redukter, Makke

Environnement Canada

Lisa A. Cox, P.Eng.

Senior Engineer

Mining and Metallurgy Program Environmental Protection Conservation and Protection Pacific and Yukon Region Kapilano 100 - Park Royal West Vancouver, B.C. VTT 1A2 (604) 666-3487 Fax: (604) 666-6281

Canadä'



Province of British Columbia

Ministry of Environment

WASTE MANAGEMENT SKEENA REGION

F. Rhebergen, P.Eng. Officer 3726 Alfred Avenue Bag 5000 Smithers British Columbia VOJ 2N0

Phone: (604) 847-7255

GEDDES RESOURCES LIMITED

Kelth L. Somerville, P.Eng. Vice President, Mine Development

Suite 2701, P.O. Box 143 1 First Canadian Place Toronto, Ontario M5X 1C7 Tel. (416) 363-1135 Fax. (416) 363-8078 Guinness Tower 1080 - 1055 W. Hastings St. Vancouver, B.C. V6E 2E9 Tel: (604) 682-2392 Fax: (604) 682-7047



Province of British Columbia

Ministry of Environment WATER MANAGEMENT BRANCH

D. B. Letvak, P.Eng. Senior Hydraulic Engineer Hydrology Section

Parliament Buildings Victoria British Columbia V8V 1X5

Phone: (604) 387-9477



Ministry of Energy, Mines and Petroleum Resources

MEMORANDUM

\ (

File: 15140/Windy Craggy

Date: July 31, 1990

To: Ralph McGinn

John Errington
Tom Schroeter
Garry Alexander
Bruce Letvak
Frank Rhebergen

Keith Ferguson

Lisa Cox

Re: Windy Craggy Project - Minutes of 1990-07-05 Meeting

Attached please find Anne Currie's minutes of the 1990-07-05 meeting, which was held at the office of Steffen, Robertson and Kirsten, 800 - 580 Hornby Street. If you find any errors, omissions or misinterpretations, please contact Anne Currie at 356-2195 or myself at 356-2229.

Norman Ringstad

Chairman

Mine Development Steering Committee c/o Engineering and Inspection Branch

Mineral Resources Division

NR:AC:sf

Attachment: Minutes of 1990-07-05 Meeting

MINE DEVELOPMENT REVIEW PROCESS

WINDY CRAGGY COPPER/COBALT/GOLD/SILVER PROJECT

KEY MDRP AGENCIES' MEETING WITH GEDDES RESOURCES LIMITED

STAGE I SUBMISSION REVIEW

Steffen, Robertson and Kirsten 800 - 580 Hornby Street Vancouver, British Columbia

1990-07-05

٨	ttan	dees	

Norman Ringstad MDSC/MEMPR Anne Currie MDSC/MEMPR Ralph McGinn **MEMPR** John Errington **MEMPR** Tom Schroeter **MEMPR** Garry Alexander MOE Bruce Letvak MOE Frank Rhebergen MOE Keith Ferguson DOE Lisa Cox DOE Keith Somerville Geddes Phil Claridge Geddes Keith Robinson **SRK** John Brodie **SRK** Jim Malick Norecol Niko Zorkin Norecol

INTRODUCTION

- o Based on the review of the Stage I report, the mine plan was found to be unacceptable by key Mine Development Review Process (MDRP) agencies due to the potentially adverse environmental effects of acid rock drainage (ARD).
- The purpose of the meeting was to discuss the concerns of key MDRP agencies regarding ARD, and provide direction on a revised Stage I mine plan.

SUMMARY OF AGENCIES' CONCERNS

- o Environment Canada (DOE) noted that the company's plans to blend alkaline materials with significant quantities of potentially acid producing rock to prevent ARD formation have not been proven on a full or pilot scale in metal mining operations in Canada. It is also concerned about Geddes plans to dispose of potentially acid producing waste rock on glaciers.
- o The objective of DOE's technical review of the Stage I report was twofold:
 - 1) to provide direction on a revised Stage I report; and
 - 2) to provide initial terms of reference for Stage II studies for project components and baseline studies other than the mine plan.

Detailed recommendations for Stage II mine planning studies will be provided following the review of the revised Stage I report.

- The Ministry of Environment (MOE) agreed that the disposal of waste rock on glaciers is a major concern, and it is currently developing a policy on glaciers which will include waste rock disposal. At this time, MOE cannot give the company any assurances that even the dumping of non acid-generating waste rock on glaciers would be supported.
- Although the proposed access road is not a Stage I concern, MOE noted that not enough information has been provided by the company for the Ministry to assess the proposed route alignment Additional information is required on the impacts of the proposed road on wildlife resources.
- The Ministry of Energy, Mines and Petroleum Resources (MEMPR) is currently consolidating its review comments, and ARD is identified as a major concern. The only acceptable strategy for preventing ARD is the underwater disposal of tailings either in a lake or permanently flooded pond.
- o MEMPR's policy on ARD has been drafted and circulated to members of the Reclamation Advisory Committee for comment. The Ministry plans to circulate the policy more widely. The policy puts into writing what has been working policy.
- o MEMPR's responsibility is to provide guidance on the safe disposal of waste rock and to ensure the safety of workers at the mine site. The Ministry is concerned about the placement of waste rock on glaciers as it relates to the safety of mine workers.
- No agreement was reached at the meeting on an acceptable ratio for blending acid generating and acid consuming rock. There was also no agreement on what net neutralization potential value should be used to confirm the non-acid generating potential of rock.

- o N. Ringstad noted that MEMPR's policy on ARD and MOE's policy on glaciers are important components of the Windy Craggy project review. The policy on glaciers will be developed jointly by the Water and Waste Management Branches and coordinated by the Policy and Planning Branch.
- MOE's policy on glaciers is in its infancy as it has arisen largely due to the Windy Craggy project. Glaciers are considered a watercourse under the Water Act. The development of the policy will be delayed until the results of the company's technical studies are known. In the past, the Ministry has rejected proposals to mine glaciers to produce ice cubes, but it is has approved the construction of mine roads over glaciers. During the development of this policy, the Ministry will examine other jurisdictions' policies. MOE appreciates the urgency of developing this policy.
- o The compendium of review comments on the company's January, 1990 submission will summarize outstanding Stage I and Stage II information requirements. It will be made available to the public at the same locations as the Stage I report.
- O A second newsletter will be drafted and sent to everyone on the Mine Development Steering Committee (MDSC) mailing list. It will summarize the key issues raised by the review agencies, local governments, Native and public groups, and the next steps in the review process. Key MDRP agencies will be given an opportunity to review the newsletter before it is circulated.
- N. Ringstad noted that approval-in-principle (AIP) is granted when all policy issues are resolved and all technical issues are identified and are known to be resolvable. AIP does not automatically result in the granting of permits as further data and information is required in support of permit and approval adjudication.

Project Planning Update

- o Wright Engineers is currently conducting engineering studies which are examining both open pit and underground mining options. The mechanical handling of waste rock, ore and concentrate is also being examined. The company is also reviewing options for transporting the concentrate such as trucking and pipelines. Wright's report will be completed in August.
- The company is exploring two options for the management of waste rock: underwater disposal and heat disposal. The objective of these studies is to demonstrate that heat disposal will produce a negative net neutralization potential. Geddes noted that it plans to blend waste rock, as proposed in the Stage I report, are not being evaluated.

- o The framework for the waste rock management studies consists of three components:
 - 1) Delineation of waste rock Geological methods will be used to identify the different types and configurations of waste rock.
 - Characterization of waste rock These studies include acid base accounting, humidity cells and column leach testing. It will help Geddes understand the quality of waste rock.
 - 3) Field programs Drilling will be conducted to provide additional information on the characterization of the waste rock.
- o SRK is reviewing options to determine the most economical method for moving acid generating waste rock and ore to a mill site located near the tailings pond area. Two options are being considered. The first option is to construct an underground tunnel to move ore to the south Tats Valley. The second option is to haul ore to the pond on a road which crosses over the glacier.
- The upper Tats Valley is the best location of the tailings pond but the location for the mill is undecided. SRK will be conducting geotechnical studies to examine the foundation conditions of the pond. The core samples will be thick enough to address concerns relating to seismic activity.
- O A glaciation study is being conducted by the University of British Columbia. Samples will be collected from the base of glaciers.
- O DOE wondered what the advantages were of maintaining two separate cells in the tailings impoundment. The company noted that it will store low grade acid generating ore in one cell of the pond, and it may want to gain access to the ore at some future date for processing. Geddes realizes that there are advantages to mixing waste rock with tailings.
- The company plans to dispose of waste rock with a positive net neutralization potential on glaciers and waste rock with a negative net neutralization potential underwater. DOE wondered that given the nature of the orebody, how feasible is it to determine which rock has positive net neutralization potential. Geddes noted that there will be a laboratory on site for testing and that mining will occur in blocks. Further drilling will also improve the characterization of the rock type.
- Norecol summarized the proposed ARD studies. An acid base accounting (ABA) program will be conducted to develop a database to help understand the characteristics of the waste rock. One hundred and fifty additional ABA samples will be collected. Information from these samples will be available prior to the submission of the revised Stage I report. Humidity cells and kinetic tests will be undertaken to determine the reactivity of the waste rock. Tests will also be conducted on specific waste management plans to demonstrate that

they are feasible. This information will not be included in the revised Stage I report; however, it will be outlined in the Stage II submission.

- DOE is concerned about the company obtaining a representative characterization of the waste rock prior to beginning the kinetic tests. Geddes noted that it has two drill core samples from the south pit and two drill core samples from the north pit will be taken. It does not plan to begin the column tests until one month from now. Given the high costs of conducting kinetic tests, DOE recommended that the company delay beginning these tests until the testing program is agreed to by key MDRP agencies.
- O DOE noted that the use of remedial measures is not possible if the waste rock that is dumped on glaciers does not behave as predicted. Government agencies cannot afford to take any risk and thus, agencies must be 100 per cent confident about the fate of the waste rock.
- ODE noted that it will also be important to have an understanding of the relationship of calcium/sulphur. The company may want to consider "fast" kinetic testing. Given the size of the Windy Craggy deposit, MOE recommends that the company use a range of kinetic tests.
- o Geddes commented that it will be examining the competency and natural segregation potential of the waste rock.
- o MOE wondered whether the company had considered any alternatives to dumping waste rock on glaciers. The company noted that there is no other disposal site unless the rock is hauled twelve kilometres. Given the public's concerns about the dumping of waste rock on glaciers, the company should examine alternative disposal options.
- The company is also developing a database to examine ARD in the pit walls. This assessment will be based on data which is being collected for some of the other test programs.
- o MOE commented that it does not consider the long-term treatment and collection of ARD as being a viable option. The conditions of the pit at the end of mining is also important. Thus an assessment of long-term pit drainage is necessary.
- O DOE noted that although it is difficult to conceive of contingency plans, the company must try to develop contingency plans over the short, medium and long-term to reduce the level of risk.
- o Further meetings between the company and the key MDRP agencies are required to discuss testwork for ARD and water management. The agencies want to have a good understanding of what studies the company is planning to conduct.

- o A meeting to discuss ARD testwork is proposed for 1990-07-16. MDSC representatives will not attend this meeting; however, the Committee would appreciate being kept informed. The MDSC will coordinate any future meetings when broader issues are being discussed.
- o A meeting between key MDRP agencies and the proponent to discuss and review the table of contents of the revised Stage I report is recommended.

GEDDES PUBLIC CONSULTATION PROGRAM

- The company recently conducted a series of public meetings. C. Aspinall is preparing a report which will contain a description of the meeting process and a summary of the questions and responses that were raised at the meetings. The questions and responses will be organized by topic. The report will be submitted to the MDSC, and it will not be widely circulated by the company.
- The company plans to publish a second newsletter which will discuss the public meetings, and identify a short list of some of the concerns that were raised at the meetings.
- o Geddes is planning to hold a series of technical meetings in some of the communities which will be most affected by the project. Presentations will likely be made by consultants from SRK and Norecol and by Geddes. The purpose of the meetings is to discuss some of the technical issues such as ARD and glaciology, in more detail.
- o The company may also hold a meeting in Haines to discuss Alaskan-related aspects of the project. This meeting would be held at the same time as the technical meetings.
- A company in Anchorage has been hired to examine the transportation of the concentrate in Alaska, and the handling and storage of the concentrate at the port in Haines. Socio-economic studies are also being undertaken to examine the potential socio-economic impacts of the project on the community of Haines. The environmental studies in Alaska have not yet been initiated, although the company realizes that they should soon be started.
- o DOE encouraged the company to contact Ms. Kerry Howard, Office of the Governor of the State of Alaska, to arrange meetings with U.S. federal and state agencies.

INTER-GOVERNMENTAL WORKING GROUP

An inter-governmental working group (the Governmental Coordination Committee) has been established to help coordinate the review by British Columbian, Canadian federal, Alaska State and U.S. federal agencies. Representatives from Alaskan State and federal agencies, the Federal Government, the MDSC and the Premier's Office are members of the Committee. The Committee's first meeting was held in Seattle on 1990-06-28. Future meetings will be held as they are needed.

- o The objective of the Committee is to: consult on review processes and schedules on both sides of the B.C./Alaska border; and facilitate the exchange of technical information on project issues of common transboundary concern.
- o Although the MDRP's jurisdiction ends at the border, it is appropriate for the MDRP and U.S. review to be coordinated to ensure that B.C. is not put in the position where it is ready to recommend approval-in-principle, but the U.S. agencies are not ready.

INTEGRATION OF FURTHER SUBMISSIONS

- o When the company files the revised Stage I report it should also file a tandem document, which addresses U.S. concerns, with the U.S. federal and state agencies in order to bring project planning and assessment on the Alaska side up to a Stage I level of detail. The MDSC would appreciate receiving a copy of this report.
- o Geddes should review the Alaskan comments and incorporate these comments into the terms of reference for the Alaskan studies. These terms of reference should be reviewed by the U.S. agencies, as soon as possible.

TIMING OF FURTHER SUBMISSIONS

The company hopes to submit its revised Stage I report in September, 1990. The timing of the submission of the report to U.S. agencies will be determined by what additional information must be provided by the company.

SUMMARY

It is important for the company to evaluate and incorporate options in future submissions. The company should also begin to begin evaluating the project's reclamation costs. MEMPR's current bonding policy for any mine in B.C. is to set the bond annually at a level which reflects all outstanding decommissioning and closure costs existing at that time. Geddes commented that it is interested in receiving information on how bonds should be calculated. Once the company obtains more information on its mine plan, MEMPR could provide some assistance.

Compiled by: Anne Currie

A/Secretary

Mine Development Steering Committee c/o Engineering and Inspection Branch

Mineral Resources Division



Ministry of Energy, Mines and Petroleum Resources

M10 C 0 1000

MEMORANDUM

Vos-> Windy (ragg

To: Ral

Ralph McGinn

John Errington

Tom Schroeter

Garry Alexander Bruce Letvak

Frank Rhebergen Keith Ferguson

Lisa Cox

Date: August 24, 1990

File:

15140/Windy Craggy

Re: Windy Craggy Project - Minutes of 1990-07-05 Meeting

The purpose of this memo is to clarify several points in the minutes of the 1990-07-05 meeting, which was held to discuss the concerns of key MDRP agencies regarding acid rock drainage and provide direction on a revised Stage I mine plan. Changes are highlighted in boldface type.

Page 2, bullet 5

o The Ministry of Energy, Mines and Petroleum Resources is currently consolidating its review comments, and ARD is identified as a major concern. The only acceptable strategy for preventing ARD is the underwater disposal of tailings and waste rock either in a lake or permanently flooded pond.

Page 3, bullet 7

The company is exploring two options for the management of waste rock: underwater disposal and heap disposal. The objective of these studies is to demonstrate that heap disposal will produce a negative net neutralization potential. Geddes noted that its plans to blend waste rock, as proposed in the Stage I report, are not being evaluated.

Page 4, bullet 2

o SRK is reviewing options to determine the most economical method for moving acid generating waste rock and ore to a mill site located near the tailings pond area. Two options are being considered. The first option is to construct an underground tunnel to move acid generating waste rock and ore to the south Tats Valley. The second option is to haul acid generating waste rock and ore to the pond on a road which crosses over the glacier.

Page 4, bullet 3

The upper Tats Valley is the best location of the tailings pond but the location for the mill is undecided. SRK will be conducting geotechnical studies to examine the foundation conditions for the proposed pond. The core samples will be thick enough to address concerns relating to seismic activity.

anne lurrie

Anne Currie
A/Secretary
Mine Development Steering Committee
c/o Engineering and Inspection Branch
Mineral Resources Division

AC:sf

cc: Norm Ringstad



Province of British Columbia

Ministry of Energy, Mines and Petroleum Resources

MEMORANDUM

Smithers telephone: (604) 847-7383

To: Tom Schroeter

DATE: March 14, 1991

From: Dave Lefebure

RE: WINDY CRAGGY REVISED STAGE 1 REPORT

I have read the Windy Craggy Revised Stage 1 report submitted by Geddes Resources Limited. I am impressed with the increased data base dealing with acid mine drainage. It is also encouraging to see the substantial reduction in waste rock generated by the combined open pit and underground mine proposal favoured in the revised report. The stripping ratio for the open pit has dropped from 3.1:1 to 1.9:1 with a decrease in the total waste rock from 481 million tonnes to 251 million tonnes. Unfortunately for Geddes Resources Ltd., their new plan will reduce the overall copper recovery from the mining operation by 35% from the Stage I mining plan.

In my comments on the Stage I report I mentioned that

"The Stage I discusses only an open pit mining operation. This does beg the question why not consider an underground mining operation. The latter mining method would offer some distinct advantages, such as reducing the amount of waste rock which would have to be stockpiled. This could be one of the simplest ways to reduce a potential acid mine drainage problem on the site. The stage II document should weigh the relative benefits, costs and risks associated with both an underground and open pit operation."

The revised Stage I report does address this concern with a proposed mixed method of open pit and underground mining. They have included costs for the open pit and three styles of underground mining. Their conclusion is that a completely underground mine would be more costly and is not an economic proposition. There should be a more complete analysis of the relative costs of dealing with the acid-generating rock wastes (handling and reclamation) in the Stage II report. An assessment of the relative long term risks of the different mining methods should also be prepared.

This may be an area which will have to be addressed by the government to have an independent risk assessment of the mining plans.

LOG NO: MAR 20 1991 VAN 1

ACTION:

FILE NO: Wander Crosses

On page 5-10 it is remarked that "the risks associated with open pit operations are much less than with underground operations". This statement is followed by several other remarks which suggest a strong bias for open pit mining by Geddes Resources Ltd. Recent experience at the Nickel Plate and Premier Gold open pit mines have underlined the risky nature of mines in general. There are many examples of highly profitable underground mines handling massive sulphide ore similar to the Windy Craggy deposit.

On page 4-20 it states that "much of the waste rock within the proposed open pits contains erratic amounts of sulphide and carbonate". This will require considerable control be used during the mining operation to identify potentially acid-generating waste rock. Geddes Resources Ltd. has outlined an ambitious plan for categorizing and handling waste rock. The mitigation of the acid rock drainage problem will depend on Geddes Resources Ltd. ability to separate the acid-generating waste from the other waste. I anticipate that the Engineering and Inspection Branch will review this area in detail.

More information is needed on the limestone quarry proposed for the Tats valley - size, exact location, quality.

The results of studies of the impact of glaciers covering on reducing acid generated by sulphide-bearing rock will be interesting. It should be noted that there is an existing surface gossan which is currently covered in part by the ice sheet.

I have included a copy of the memorandum I completed for the Stage I report for your reference.

Conclusions

The Geological Survey Branch should consider requesting the following information be included in the Stage II report by Geddes Resources Ltd.:

- 1) An analysis of the relative costs of handling acidgenerating rock waste in both open pit with underground and underground mining operations.
- 2) An assessment of the relative long term environmental risks of both open pit with underground and underground operations.

Our Ministry should consider the need for an independent risk assessment of the Windy Craggy mine plan.

In response to Norm Ringstad's questions in his memorandum of January 7, 1991:

- 1) No concerns with Stage 1.
- 2) See above for Stage II.

David Lefeture

3) More information about proposed limestone quarry.

DVL

WC STGE1.DOC

for FY. T. Dave

To: Vic Preto

April 30,/990 DATE: March 14, 1991

From: Dave Lefebure

RE: WINDY CRAGGY STAGE 1 REPORT COMMENTS

I have read the Windy Craggy Stage 1 report submitted by Geddes Resouces Limited with particular attention given to sections 2, 3.6, 5,7, 9 and 14.

Section 2

The ore reserves are substantial and the estimates are reasonable based on my knowledge. A more detailed review of their data might be warranted.

Section 3.6

The Stage I discusses only an open pit mining operation. This does beg the question why not consider an underground mining operation. The latter mining method would offer some distinct advantages, such as reducing the amount of waste rock which would have to be stockpiled. This could be one of the simplest ways to reduce a potential acid mine drainage problem on the site. The stage II document should weigh the relative benefits, costs and risks associated with both an underground and open pit operation.

It would appear that relatively small amounts of low grade ore shown in Table 3-2 might be better handled by processing immediately rather than being stored at the head of Red Creek, at least for the first three years. This would reduce the necessity of temporary stockpiles.

In the Stage II report it will be important to provide a complete picture of the distribution of the sulphide-bearing waste. The deposit has a very sulphide-rich stringer zone which includes a lot of probable waste rock. Any plans to deal with potential acid mine drainage need to be based on accurate assessments of the type and volume of waste material. These assessments should include scenarios such as the following which is mentioned in the report:

"It should be noted that less sulphide waste will be mined during the operations than is predicted in Table 3-3 because pit-planning completed to date has been based on conservative cutoff grade. Consequently, some of the stringer stockwork and sulphide lenses and most of the massive sulphides below cutoff grade will, in fact, be processed in the mill as ore."

Section 7

The access road is a critical aspect of this project. I have already recommended the Geological Survey Branch support the company's decision to utilize the Scottie Pass corridor (July 24, 1989).

SECTION 14

The Stage I report may have overestimated the number of employees which will come from towns such as Prince George, Fort St. John and Smithers. Other fly-in mining operations in the northwest province have frequently drawn a lower percentage of people from the north and many more from southern B.C..