PROVINCE OF BRITISH COLUMBIA MINISTRY OF ENERGY AND MINES

AMENDED SAND AND GRAVEL PERMIT APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

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

Permit:

G-2-112

Mine No.: 0200550

Issued to:

G and R Developments

PO Box 4353

Smithers BC V0J 2N0

for work located at the following property:

Fractional SW 1/4 of Sec 4, Township 4, R5, CD, except Plans 11348,

PRP 14394and PRP 41187

This approval and permit is subject to the appended conditions.

Issued this **2nd** day of **June** in the year **1998**. Amended this **16th** day of **July** in the year **2014**.

Bruce Graff, P. Eng.

Contract Permitting - Inspector of Mines

PREAMBLE

A Notice of Work dated January 20, 2014 for this sand and gravel project was filed with the Inspector of Mines. This included a mine plan of the proposed work system and a program for the protection and reclamation of the surface of the land and watercourses affected by the Notice of Work. The requirements for Notice of Filing as per Part 10.2.1 of the Health, Safety and Reclamation Code for Mines in BC, 2008 have been waived by the Ministry of Energy and Mines.

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

Decisions made by staff of the Ministry of Energy and Mines will be made in consultation with other ministries.

Approved Work Program:

Annual Extraction: 15,000 m3/yr

Activities: Excavation of pit run and screening is approved with the

understanding that you have received an ALC approval for a

non-farm use of agricultural land for this purpose.

ote: Crushing is not approved by MEM, authorization on AG1 land is

through issuance of a Temporary Use Permit by the RNBN.

No washing of gravel is approved No removal of topsoil is approved

No transport of unauthorized fill into site is approved

CONDITIONS

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

1. Reclamation Security

- (a) The owner, agent or manager (herein called the Permittee) shall maintain with the BC Agricultural Land Commission securities in the amount of Thirty Thousand Dollars (\$30,000). 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.
- (b) The Permittee shall conform to all forest tenure requirements of the Ministry of Forests, Lands and Natural Resources. 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, and

(c) The Permittee shall conform to all the Ministry of the Environment approvals, licenses and permit conditions, 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.

2. Land Use

The surface of the land and watercourses shall be reclaimed to the following end land use: *Agriculturial Land*.

3. Land Capability

Excluding lands that are not to be reclaimed, the average land capability to be achieved on the remaining lands shall not be less than the average that existed prior to mining, unless the land capability is not consistent with the approved end land use.

4. Revegetation

Land shall be re-vegetated to a self-sustaining state using appropriate plant species.

5. Use of Suitable Growth Medium

On all lands to be revegetated, the growth medium shall satisfy land use, productivity, and water quality objectives. Topsoil and overburden (to rooting depth) shall be removed from operational areas prior to any disturbance of the land and stockpiled separately on the property for use in reclamation programs, unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, that reclamation objectives can otherwise be achieved.

6. Buffer Zones and Berms

A 5m buffer zone and/or berm shall be established between the mine and the property boundary unless exempted in writing by the Inspector of Mines. The buffer cannot be impeded by resloping for remediation.

7. Treatment of Structures and Equipment

Prior to abandonment, and unless the Chief Inspector has made a ruling otherwise, such as heritage project consideration or industrial use,

- (a) all machinery and equipment shall be removed, and
- (b) all scrap material shall be disposed of in a manner acceptable to the Inspector.

8. Watercourses

- (a) Watercourses shall be reclaimed to a condition that ensures
 - (1) long-term water quality is maintained to a standard acceptable to the Chief Inspector,
 - (2) drainage is restored either to original watercourses or to new watercourses which will sustain themselves without maintenance, and
 - (3) use and productivity objectives are achieved and the level of productivity shall not be less than existed prior to mining unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, the impracticality of doing so.
- (b) Water which flows from disturbed areas shall be collected and diverted into settling ponds, unless water is effectively ex-filtrating through gravels.

9. Roads

All roads shall be reclaimed in accordance with land use objectives unless permanent access is required to be maintained by Crown Land branch of the Ministry of Forests, Lands and Natural Resources Operations.

10. Disposal of Fuels and Toxic Chemicals

Fuels, chemicals or reagents which cannot be returned to the manufacturer/supplier are to be disposed of as directed by the Chief Inspector in compliance with municipal, regional, provincial and federal statutes.

11. Temporary Shutdown

If this sand and gravel project ceases operation for a period longer than one year the Permittee shall either continue to carry out the conditions of the permit or apply for an amendment setting out a revised program for approval by the Chief Inspector.

12. Safety Provisions

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

13. Monitoring

No monitoring is required at this time; this may change if the Inspector of Mines deems it necessary.

14. <u>Alterations to the Program</u>

Substantial changes to the program must be submitted to the Inspector of Mines for approval.

15. Notice of Closure

Pursuant to Part 10.6.1 of the Health, Safety and Reclamation Code for Mines in British Columbia, a notice of intention to stop work shall be filed with the Inspector of Mines not less than seven (7) days prior to cessation of work.

16. Annual Report

- a) No annual reports are required at this time; this may change should the Inspector of Mines deem it necessary, and
- b) An updated Mine Plan and Notice of Work must be submitted by July 16, 2019.

17. Site Stability

- a) The inspector shall be advised in writing at the earliest opportunity of any unforeseen conditions that could adversely affect the extraction of materials, site stability, erosion control or the reclamation of the site.
- b) The stability of the slopes shall be maintained at all times and erosion shall be controlled at all times.
- c) The discovery of any significant subsurface flows of water, seeps, substantial amounts of fine textured, soils, silts and clays, as well as significant adverse geological conditions shall be reported to the inspector as soon as possible and work shall cease until the inspector advises otherwise.

18. Cultural Heritage Values

To protect Cultural Heritage Resources, an Archaeological Chance Fined Procedure is required and must be implemented by all persons working on the sand and gravel project.

SPECIAL CONDITIONS:

Note: G&R Development has been for several years, through various attempts trying to exclude the subject property from the ALR using the appropriate ALC processes. However, to date this has not occurred, and in fact recently in a letter dated June 27, 2014; the ALC has requested additional information and resubmission of the Notice of Intent. It should be noted that this information had previously been submitted by the proponent.

MEM has made a decision to move forward with issuance of this amended Mines Act, given that MEM does not have jurisdiction on land use decisions.

S&G-perm/10Jul14



