



Kemess Underground 2017 CEEA Annual Report

Report Authored by:

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Acronyms and Abbreviations

Terminology used in this document is defined where it is first used. The following list will assist readers who may choose to review only portions of the document.

AIA	Archaeological Impact Assessment
AuRico	AuRico Metals Inc.
EA	Environmental Assessment
FAEMP	Fish and Aquatic Effects Monitoring Plan
FLNRORD	Ministry of Forests, Lands, Natural Resource Operations and Rural Development
HCA	Heritage Conservation Act
IBA	Impact and Benefit Agreement
KS	Kemess South
KwN	Kwadacha Nation
MMPO	Major Mines Permitting Office
MSWMP	Mine Site Water Management Plan
TKDN	Tsay Keh Dene Nation
TKN	Tsay Keh Nay
TLFN	Takla Lake First Nation

EXCECUTIVE SUMMARY

AuRico Metals Inc (AuRico) received the Canadian Environmental Ministers Decision Statement on March 13, 2017 for the Kemess Underground Project, an underground gold/copper mine located approximately 250 kilometres north of Smithers and 430 kilometres northwest of Prince George, British Columbia. The Project is located within the traditional territories of the Takla Lake First Nation (TLFN) and Tsay Keh Dene Nation (TKDN). The traditional territory of the Kwadacha Nation (KwN) is adjacent to and downstream from the Project.

On August 31, 2017, AuRico submitted the permit application package to the British Columbia Major Mines Permitting Office. Permitting and permitting related consultation activities with Ingenious groups, Gitxsan Wilp Nii Kyapp and relevant authorities is ongoing. Permitting is expected to conclude in Q2 2018. Construction for Kemess Underground Project is scheduled for 2018, pending receipt of permits and board approval to proceed. Therefore, reporting out on multiple EA Conditions is limited as no construction activities occurred in 2017 to trigger the start of condition adherence.

This Annual Report provides information and updates related to the Environmental Assessment Decision Statement Conditions for the period March 13, 2017 to December 31, 2017.

RESUME (en français)

AuRico Metals Inc (AuRico) a reçu le 13 mars 2017 la déclaration de décision de la ministre de l'Environnement du Canada relativement au Projet de mine Kemess, mine d'or et cuivre souterrain située environ 250 kilomètres au nord de Smithers et 430 kilomètres au nord-ouest de Prince George, en Colombie-Britannique. Le Projet est situé dans les territoires traditionnels des Premières Nations Takla Lake First et Tsay Keh Dene Nation. Le territoire traditionnel de la Kwadacha Nation (KwN) est à proximité et en aval du projet. Le 31 août 2017, AuRico a présenté le dossier de demande de permis auprès du Bureau Permettant de Mines Majeurs de la Colombie-Britannique. Permis et permettant des activités connexes de consultation avec les groupes ingénieurs, Gitksan Wilp Nii Kyapp et les autorités compétentes se poursuit. Permettant s'attend à conclure en Q2 2018.

Ce rapport fournit des informations et mises à jour connexes les Conditions de déclaration de décision évaluation environnementale pour la période allant du 13 mars 2017 à décembre 2017.

Aucune activité de construction a eu lieu en 2017. Construction pour le souterrain Projet Kemess est prévue pour 2018, dans l'attente de permis et d'approbation par le Conseil à aller de l'avant.

INTRODUCTION

AuRico is proposing to develop the Kemess Underground Project (the Project), situated approximately 6 kilometres (km) north of the former Kemess South (KS) gold/copper mine. The Project is located in mountainous terrain in north-central British Columbia (BC), approximately 250 km north of Smithers and 430 km northwest of Prince George, at N 57°0' latitude and 126°45'W longitude (Figure 1). Road access to the Project from Mackenzie is via the Omineca Resource Access Road. The closest communities by air are Kwadacha (Fort Ware; 79 km), Tsay Keh (111 km); and Takla Landing (182 km). (Figure 1)

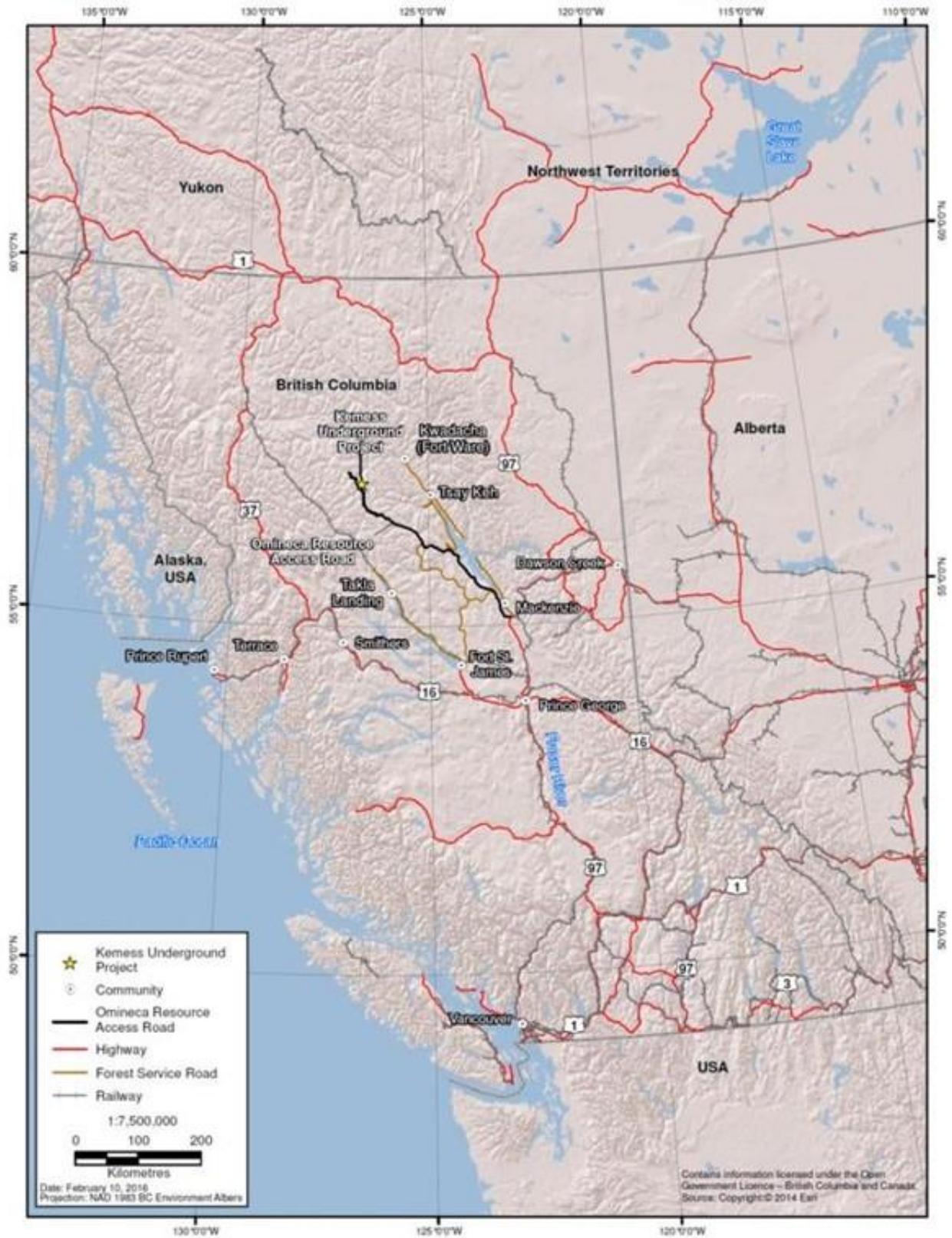
The mine will process an average of 25,000 tonnes per day, with annual production averaging 105,000 ounces of gold and 44 million pounds of copper. Total production will be approximately 1.3 million ounces of gold and 563 million pounds of copper over 13 years. Approximately 107 Mt of tailings and 3 Mt of potentially acid generating waste rock will be deposited in the former KS Mine open pit to contain and manage effluent discharge to meet environmental discharge criteria.

The Project received a positive federal and provincial environmental assessment (EA) decisions pursuant to the BC *Environmental Assessment Act* (BC EAA; 2002) and the *Canadian Environmental Assessment Act, 2012* (CEAA; 2012) on March 13, 2017. AuRico submitted the Kemess Underground permit application to the Major Mines Permitting Office on August 31, 2017. Permitting is ongoing.

The Project is located within the traditional territories of the Takla Lake First Nation (TLFN) and Tsay Keh Dene Nation (TKDN). The traditional territory of the Kwadacha Nation (KwN) is adjacent to and downstream from the Project. The three First Nations jointly interact with the Project as Tse Keh Nay (TKN). On May 18, 2017 AuRico signed an Impact and Benefit Agreement (IBA) with TKN. The IBA captures the mutual commitment to consult and maintain an open, respectful and cooperative relationship over the life of the KUG Project.

This report has been developed to meet Decision Statement Condition 2.9: *The Proponent shall, commencing in the reporting year during which the Proponent begins the implementation of the conditions set out in this Decision Statement, prepare an annual report...*. The report is structured that each heading addresses an annual reporting requirement as defined within the subheading of Condition 2.9.

Figure 1 Kemess Underground Project Location Map



1. UPDATE ON IMPLEMENTATION OF DECISION STATEMENT ACTIVITIES: CONDITION 2.9.1

2.9 The Proponent shall, commencing in the reporting year during which the Proponent begins the implementation of the conditions set out in this Decision Statement, prepare an annual report that sets out:

2.9.1 the activities undertaken in the reporting year to comply with each of the conditions set out in this Decision Statement;

Refer to Appendix A for the Table titled *Kemess Underground Project: Implementation Activities undertaken (as per CEAA Decision Statement Condition 2.9.1)* for a compilation of implementation activities that occurred in 2017.

2. INFORMED TECHNOLOGY AND KNOWLEDGE: CONDITION 2.1

2.1 The Proponent shall ensure that its actions in meeting the conditions set out in this Decision Statement are considered in a careful and precautionary manner, promote sustainable development, are informed by the best information and knowledge available at the time the Proponent takes action, including community and Indigenous traditional knowledge, are based on methods and models that are recognized by standard-setting bodies, are undertaken by qualified individuals, and have applied the best available economically achievable technologies.

AuRico engaged with BQE to design the Water Treatment Plant. AuRico also engaged the services of numerous reputable companies (Lorax Environmental Services Ltd., ERM, Hatfield, Dave Bustard and Associates, Ardea) to provide qualified individuals (e.g. R.P. Bio., P.Eng., P.Geo.) to develop and review environmental management plans required to meet EAC conditions.

3. CONSIDERATION FOR CONSULTATION: CONDITION 2.9.3

2.9.3 for conditions set out in this Decision Statement for which consultation is a requirement, how the Proponent considered any views and information that the Proponent received during or as a result of the consultation

The following sections identify the Decision Statement conditions that required consultation and how the Proponent has considered the views and information received as per the requirements set out in Condition 2.2

2.2 The Proponent shall, where consultation is a requirement of a condition set out in this Decision Statement:

2.2.1 provide a written notice of the opportunity for the party or parties being consulted to present their views and information on the subject of the consultation;

2.2.2 provide sufficient information on the scope and the subject matter of the consultation and a reasonable period of time to permit the party or parties being consulted to prepare their views and information;

2.2.3 provide a full and impartial consideration of any views and information presented by the party or parties being consulted on the subject matter of the consultation; and

2.2.4 advise in a timely manner the party or parties being consulted on how their views and information have been considered by the Proponent.

3.1. FISH AND FISH HABITAT: CONDITION 3.7

Discuss consultation activities relative to Condition 3.7: The Proponent shall develop, prior to construction and in consultation with Indigenous groups, Gitksan Wilp Nii Kyap, and relevant authorities, and implement, from the start of construction to the end of decommissioning, a follow-up program to verify the accuracy of the environmental assessment as it pertains to fish and fish habitat and to determine the effectiveness of mitigation measures referred to in conditions 3.1 to 3.6. As part of the follow-up program, the Proponent shall:

3.7.1 monitor quality of water discharged in Attichika Creek during the dewatering of the Kemess South Pit and treat that water to meet the requirements of subsection 36(3) of the Fisheries Act;

3.7.2 monitor surface water quality in Amazay Lake and groundwater movement between the subsidence zone identified by the Proponent during the environmental assessment and Amazay Lake;

3.7.3 monitor changes in channel form and sediment load downstream of the discharge location in Attichika Creek;

3.7.4 monitor changes in water quality in Waste Rock Creek and the tailings storage facility, including changes in selenium concentrations;

*3.7.5 monitor the presence and use of spawning habitat by bull trout (*Salvelinus confluentus*) and rainbow trout (*Oncorhynchus mykiss*) downstream of the discharge location in Attichika Creek prior to and after the installation of the discharge pipeline into Attichika Creek. The Proponent shall offset any loss of spawning habitat for bull trout (*Salvelinus confluentus*) and rainbow trout (*Oncorhynchus mykiss*) in Attichika Creek if monitoring results show that spawning habitat loss has occurred; and monitor contaminants, including mercury, in the tissue of fish species harvested by Indigenous groups in Thutade Lake, including bull trout (*Salvelinus confluentus*)*

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of Fish and Aquatic Effects Monitoring Plans (FAEMP) and Mine Site Water Management Plan (MSWMP). These plans were developed in consideration of Condition 3.7. AuRico and TKN continue to consult on management plans through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

AuRico circulated the FAEMP and MSWMP to the Gitksan Wilp Nii Kyap on December 22, 2017. No comments on the plan have been received to date.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.2. MIGRATORY BIRDS: CONDITION 4.3

Discuss consultation activities relative to Condition 4.3: The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures to avoid harm to migratory birds, their eggs, and nests, including the mitigation measures used to comply with conditions 4.1 and 4.2. The Proponent shall implement the follow-up program from the start of construction to the end of decommissioning.

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Wildlife Management Plan. AuRico and TKN continue to consult on management plans and follow up program development through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.3. HUMAN HEALTH: CONDITION 5.1

Discuss consultation activities relative to Condition 5.1: The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to adverse effects on the health of Indigenous Peoples caused by changes in concentrations of contaminants of potential concern identified during the environmental assessment in air, soil, water, and sediment. The Proponent shall implement the follow-up program during construction and operation. As part of the development of the follow-up program, the Proponent shall:

- 5.1.1 identify levels of environmental change relative to established baseline conditions for contaminants of potential concern that would require the Proponent to implement modified or additional mitigation measure(s) to mitigate increased risks to human health; and*
- 5.1.2 if monitoring results demonstrate that concentration levels for contaminants of potential concern are greater than the identified levels of environmental change, update the human health risk assessment for the consumption of traditional foods exposed to these contaminants and communicate the results of the updated human health risk assessment to Indigenous groups.*

AuRico Metals engaged ERM to develop a Human Health Program before the start of construction in 2018. The draft copy of the plan will be circulated to TKN and relevant authorities in early 2018 for consultation and feedback prior to the start of construction.

3.4. WILDLIFE RAMPS: CONDITION 6.1

*6.1 The Proponent shall install and maintain, during construction and operation, ramps every 100 to 300 metres over the discharge line between the tailing storage facility and Attichika Creek to provide passage for moose (*Alces alces*), woodland caribou (*Rangifer tarandus caribou*), grizzly bear (*Ursus arctos*), and*

furbearers. The Proponent shall identify the locations of ramps in consultation with Indigenous groups and relevant authorities.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.5. UNGULATE ESCAPE PATHWAYS: CONDITION 6.2

Discuss consultation activities relative to Condition 6.2: The Proponent shall create and maintain, during construction and operation, escape pathways along all access roads associated with the Designated Project, including the northern section of the Omineca Resource Access Road, to allow ungulates to exit the plowed roads. The Proponent shall identify the locations of escape pathways in consultation with Indigenous groups and relevant authorities.

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Wildlife Management Plan. AuRico and TKN continue to consult on management plans and follow up program development through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.6. WESTERN TOAD PRECLEARING SURVEYS: CONDITION 6.5

*Discuss consultation activities relative to Condition 6.5 The Proponent shall, prior to construction and in consultation with Indigenous groups and relevant authorities, conduct pre-clearing surveys to identify Western toad (*Anaxyrus boreas*) breeding habitat, and shall implement measures to mitigate the loss of Western toad (*Anaxyrus boreas*) breeding habitat caused by the Designated Project.*

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Wildlife Management Plan. AuRico and TKN continue to consult on management plans and follow up program development through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.7. BAT PRECLEARING SURVEYS: CONDITION 6.6

*Discuss consultation activities relative to Condition 6.6 The Proponent shall conduct pre-clearing surveys to determine the distribution of little brown myotis (*Myotis lucifugus*) and Northern myotis (*Myotis septentrionalis*), and establish, in consultation with Indigenous groups and relevant authorities, buffer zones around active hibernacula and active roosts.*

AuRico conducted initial bat habitat surveys in November of 2017 to inform the initial offsetting requirements for roosting structures. Pre-Clearing surveys are scheduled to occur prior to construction and will assist in establishing buffer zones around active hibernacula and active roosts. Thirty-five nursery bat boxes are scheduled for installation before the start of construction in 2018.

3.8. PROGRESSIVE RECLAMATION: CONDITION 6.9

Discuss consultation activities relative to Condition 6.9 The Proponent shall, in consultation with Indigenous groups, undertake progressive reclamation of the habitats disturbed by the Designated Project. The Proponent shall use native species when undertaking that progressive reclamation.

Progressive reclamation activities did not occur in 2017 as no disturbance of habitat area or construction activities took place.

3.9. SUBSIDENCE ZONE FOLLOW-UP PROGRAM: CONDITION 6.10

*Discuss consultation activities relative to Condition 6.10: The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the presence of hoary marmot (*Marmota caligata*), white-tailed ptarmigan (*Lagopus leucura*), and short-eared owl (*Asio flammeus*) within the subsidence zone identified by the Proponent during the environmental assessment and within a buffer area of 250 metres along the limits of that subsidence zone. The Proponent shall implement the follow-up program during construction and operation.*

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Wildlife Management Plan. AuRico and TKN continue to consult on management plans and follow up program development through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.10. CARIBOU FOLLOW-UP PROGRAM: CONDITION 6.11

*Discuss consultation activities relative to condition 6.11: The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the effects of changes caused by the Designated Project to the Chase herd of Southern mountain caribou (*Rangifer tarandus caribou*) and the Thudade herd of Northern mountain caribou (*Rangifer tarandus caribou*) on caribou hunting activities for traditional purposes and to determine the effectiveness of the mitigation measures. The Proponent shall implement the follow-up program from the start of construction to the end of decommissioning. As part of the follow-up program, the Proponent shall:*

6.11.1 monitor, during construction and the first three years of operation, the use by moose (Alces alces), woodland caribou (Rangifer tarandus caribou), grizzly bear (Ursus arctos), and furbearers of the ramps referred to in condition 6.1 and of the escape pathways referred to in condition 6.2; and

6.11.2 monitor mortality of wildlife on all access roads associated with the Designated Project, including the northern section of the Omineca Resource Access Road.

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Wildlife Management Plan. AuRico and TKN continue to consult on management plans and follow up program development through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

On December 15, 2017, AuRico initiated discussions with FLNRORD on developing a Caribou Agreement to support the conservation and management of Caribou within the project regional study area. FLNRORD is currently drafting a contribution agreement for cost recovery as part of the provincial caribou management plan. A draft agreement is expected to be received and finalized in advance of Construction.

Construction and required monitoring have yet to commence. Therefore, there are no monitoring results to report out on in 2017.

3.11. PHYSICAL AND CULTURAL HERITAGE AND STRUCTURES, SITES, OR THINGS OF HISTORICAL, ARCHAEOLOGICAL, PALEONTOLOGICAL, OR ARCHITECTURAL SIGNIFICANCE: CONDITION 7.1 AND 7.2

Discuss consultation activities relative to condition 7.1: The Proponent shall, for any previously unidentified archeological structures, sites, or things of 7.1 historical, archaeological, paleontological, or architectural significance discovered by the Proponent or brought to the attention of the Proponent by an Indigenous group, Gitxsan Wilp Nii Kyap, or another party during any phase of the Designated Project:

7.1.1 immediately halt work at the location of the discovery;

7.1.2 have a qualified individual conduct an assessment at the location of the discovery;

7.1.3 inform, forthwith, in writing, Indigenous groups and Gitxsan Wilp Nii Kyap of the discovery, and allow for monitoring by Indigenous groups and Gitxsan Wilp Nii Kyap during archeological work; and

7.1.4 comply with all applicable legislative or legal requirements and associated regulations and protocols respecting the discovery, recording, transferring, and safekeeping of previously unidentified archeological structures, sites, or things of historical, archaeological, paleontological, or architectural significance.

7.2 The Proponent shall not undertake any ground altering activities within 50 metres of the boundaries of archeological sites, unless authorized by relevant authorities.

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the development of the Heritage Management Plan.

In early August 2017, an Archeological Impact Assessment (AIA) of five ancillary development areas to the proposed KUG was conducted to ensure compliance with the Heritage Consultation Act (HCA) prior to any ground altering activities. An existing preliminary predictive model was used to guide fieldwork. Fieldwork was conducted over eight days (August 8-15th, 2017) under HCA Section 14 Permit 2017-0263. A total of 70 ha of area was surveyed, 295 tests were excavated, and 15 exposures were inspected. The field crew consisted of Millennia personnel and members of Tsay Keh Dene, Kwadacha, and Takla Lake First Nations.

During the study, one new site, HfSq-3, was found in Area 1 the Discharge Pipeline Corridor, just outside the proposed development footprint corridor. The site is likely older than AD1846 and is therefore automatically protected under the HCA. The site is rated as low scientific significance as a result of comparison with other regional sites and the low density or absence of additional material. This site is unlikely to be impacted during construction based on current designs. A draft report on the AIA was received by AuRico on February 14, 2018. CEAA, TKN and Gitxsan Wilp Nii Kyap received written notification of discovery of site HfSq-3 on March 22, 2018.

3.12. ACCIDENTS AND MALFUNCTIONS EMERGENCY RESPONSE PLAN: CONDITIONS 9.3 AND 9.5

Discuss consultation activities relative to Condition 9.3 The Proponent shall, prior to construction and in consultation with Indigenous groups and relevant authorities, develop an emergency response plan in relation to the Designated Project.

Discuss consultation activities relative to Condition 9.5 The Proponent shall develop and implement a communication plan in consultation with Indigenous groups and Gitxsan Wilp Nii Kyap. The Proponent shall develop the communication plan prior to construction and shall implement and maintain it up to date from the start of construction to the end of decommissioning. The plan shall include:

9.5.1 the types of accidents and malfunctions requiring the Proponent to notify the respective Indigenous groups and Gitxsan Wilp Nii Kyap;

9.5.2 the manner by which Indigenous groups and Gitxsan Wilp Nii Kyap shall be notified by the Proponent of an accident or malfunction and of any opportunities for the Indigenous groups and Gitxsan Wilp Nii Kyap to assist in the response to the accident or malfunction; and

9.5.3 the contact information of the representatives of the Proponent that the Indigenous groups and Gitxsan Wilp Nii Kyap may contact and of the representatives of the respective Indigenous groups and Gitxsan Wilp Nii Kyap to which the Proponent provides notification.

AuRico Metals submitted its permit application to the Major Mines Permitting Office (MMPO) on August 31, 2017. Permitting and permitting consultation activities with relevant authorities and TKN as part of the Mine Review Committee (MRC) for KUG is ongoing and anticipated to conclude in Q2 2018. Prior to the official permit application submission AuRico Metals consulted with Tsay Keh Nay (TKN) on the

development of the Emergency Response Plan. AuRico and TKN continue to consult on management plans through the permitting process and through established collaboration and consultation methods espoused within the 2017 Impact Benefit Agreement.

Regarding Condition 9.5, AuRico circulated the draft Accidents and Malfunctions Communication Plan to Gitxsan Wilp Nii Kyap on December 22, 2017. No comments on the plan have been received from Gitxsan Wilp Nii Kyap to date.

4. FOLLOW-UP PROGRAM RESULTS: CONDITION 2.9.5

2.9.4 the information referred to in conditions 2.4 and 2.5 for each follow-up program;

2.9.5 the results of the follow-up program requirements identified in conditions 3.7, 4.3, 5.1, 6.10, and 6.11; and

AuRico Metals submitted the Mines Act Permit Application on August 31, 2017. Permitting is ongoing. Follow up programs and associated monitoring for conditions 3.7, 4.3, 5.1, 6.10 and 6.11 will commence as directed with the start of project construction.

5. ADDITIONAL MITIGATION MEASURES IMPLEMENTED: CONDITION 2.9.6

2.9.6 any modified or additional mitigation measures implemented or proposed to be implemented by the Proponent, as determined under condition 2.6.

Component Plans under the Environmental Management System are still under review as part of the Mines Act Permitting process. AuRico is committed to monitoring and reporting out on any modified or additional mitigation measures under conditions.

Appendices

Appendix A:

Decision Statement Conditions- Implementation Activities Undertaken

AuRico Metals Inc Kemess Underground

2017 CEAA Annual Report

Section	Sub-section	Condition	Implementation Activities Undertaken
2	General Conditions		
2.1		The Proponent shall ensure that its actions in meeting the conditions set out in this Decision Statement are considered in a careful and precautionary manner, promote sustainable development, are informed by the best information and knowledge available at the time the Proponent takes action, including community and Indigenous traditional knowledge, are based on methods and models that are recognized by standard-setting bodies, are undertaken by qualified individuals, and have applied the best available economically achievable technologies.	Refer to 2017 CEAA Annual Report Section 2
2.2		The Proponent shall, where consultation is a requirement of a condition set out in this Decision Statement:	
	2.2.1	provide a written notice of the opportunity for the party or parties being consulted to present their views and information on the subject of the consultation;	This practice has been implemented and will continue for the duration of the Project.
	2.2.2	provide sufficient information on the scope and the subject matter of the consultation and a reasonable period of time to permit the party or parties being consulted to prepare their views and information;	This practice has been implemented and will continue for the duration of the Project.
	2.2.3	provide a full and impartial consideration of any views and information presented by the party or parties being consulted on the subject matter of the consultation; and	This practice has been implemented and will continue for the duration of the Project.
	2.2.4	advise in a timely manner the party or parties being consulted on how their views and information have been considered by the Proponent.	This practice has been implemented and will continue for the duration of the Project.
2.3		The Proponent shall, where consultation with Indigenous groups is a requirement of a condition set out in this Decision Statement, communicate with each Indigenous group with respect to the manner by which to satisfy the consultation requirements referred to in condition 2.2, including methods of notification, the type of information and the period of time to be provided when seeking input, the process for full and impartial consideration of any views and information presented on the subject of the	

		consultation, and the means by which Indigenous groups will be informed of how their views and information have been considered by the Proponent.	
2.4		The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement, determine, as part of the development of the follow-up program and in consultation with Indigenous groups and relevant authorities, the following information, for each follow-up program:	Refer to 2017 CEEA Annual Report Section 4
	2.4.1	the methodology, location, frequency, timing, and duration of monitoring associated with the follow-up program as well as the scope, content, and frequency of reporting of the follow-up results;	Not applicable in 2017 as there were no construction activities undertaken.
	2.4.2	the levels of environmental change relative to established baseline conditions that would require the Proponent to implement additional mitigation measure(s), including instances where the Proponent may require Designated Project activities to be stopped; and	Not applicable in 2017 as there were no construction activities undertaken.
	2.4.3	the range of technically and economically feasible mitigation measures to be implemented by the Proponent if monitoring conducted as part of the follow-up program shows that the levels of environmental change referred to in condition 2.4.2 have been reached or exceeded.	Not applicable in 2017 as there were no construction activities undertaken.
2.5		The Proponent shall submit the information referred to in condition 2.4 to the Agency prior to the implementation of a follow-up program. The Proponent shall update that information in consultation with Indigenous groups and relevant authorities during the implementation of the follow-up program, and shall provide the updated information to the Agency, Indigenous groups, and relevant authorities within 30 days of the information being updated.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
2.6		The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement:	
	2.6.1	conduct the follow-up program according to the information determined pursuant to condition 2.4;	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
	2.6.2	undertake monitoring and analysis to verify the accuracy of the environmental assessment as it pertains to the particular condition and/or to determine the effectiveness of any mitigation measure(s);	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting

			process. No construction activities were undertaken in 2017.
	2.6.3	determine whether modified or additional mitigation measures are required based on the monitoring and analysis undertaken pursuant to condition 2.6.2; and	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
	2.6.4	if modified or additional mitigation measures are required pursuant to condition 2.6.3, 2.6.4develop and implement the modified or additional mitigation measures in a timely manner and monitor them pursuant to condition 2.6.2.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
2.7		Where consultation with Indigenous groups is a requirement of a follow-up program, the Proponent shall discuss with each Indigenous group opportunities for the participation of that Indigenous group in the implementation of the follow-up program, including the analysis of the follow-up results and whether modified or additional mitigation measures are required, as set out in condition 2.6.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
2.8		The Proponent shall follow the consultation process outlined in conditions 2.3, 2.4, 2.5, and 2.7 when consulting Gitxsan Wilp Nii Kyap for the purpose of conditions 3.7 and 9.5.	Refer to 2017 CEAA Annual Report Sections 3.1 and 3.12
2.9		The Proponent shall, commencing in the reporting year during which the Proponent begins the implementation of the conditions set out in this Decision Statement, prepare an annual report that sets out:	Refer to the 2017 CEAA Annual Report
	2.9.1	the activities undertaken in the reporting year to comply with each of the conditions set out in this Decision Statement;	Implementation activities undertaken are tabulated in this Appendix.
	2.9.2	how the Proponent complied with condition 2.1;	Refer to 2017 CEAA Annual Report Section 2

	2.9.3	for conditions set out in this Decision Statement for which consultation is a requirement, how the Proponent considered any views and information that the Proponent received during or as a result of the consultation;	Refer to 2017 CEAA Annual Report Section 3
	2.9.4	the information referred to in conditions 2.4 and 2.5 for each follow-up program;	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
	2.9.5	the results of the follow-up program requirements identified in conditions 3.7, 4.3, 5.1, 6.10, and 6.11; and	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
	2.9.6	any modified or additional mitigation measures implemented or proposed to be implemented by the Proponent, as determined under condition 2.6.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
2.10		The Proponent shall submit to the Agency the annual report referred to in condition 2.9, including an executive summary in both official languages, no later than March 31 following the reporting year to which the annual report applies.	Refer to 2017 CEAA Annual Report
2.11		The Proponent shall publish on the Internet, or any medium which is widely publicly available, the annual reports and the executive summaries referred to in conditions 2.9 and 2.10, the reports related to accidents and malfunctions referred to in conditions 9.4.3 and 9.4.4, the communication plan referred to in condition 9.5, the implementation schedule referred to in condition 10.1, and any update(s) or revision(s) to the above documents, upon submission of these documents to the parties referenced in the respective conditions. The Proponent shall keep these documents publicly available throughout construction and operation and until the end of decommissioning. The Proponent shall notify the Agency, Indigenous groups, and Gitxsan Wilp Nii Kyap of the availability of these documents upon publication.	The annual report and executive summary are available at: www.centerragold.com

2.12		The Proponent shall notify the Agency and Indigenous groups in writing no later than 60 days after the day on which there is a transfer of ownership, care, control, or management of the Designated Project in whole or in part.	Not applicable. No activity undertaken.
2.13		The Proponent shall consult with Indigenous groups prior to initiating any material change(s) to the Designated Project that may result in adverse environmental effects and shall notify the Agency in writing no later than 60 days prior to initiating the change(s).	Not applicable. No activity undertaken.
2.14		In notifying the Agency pursuant to condition 2.13, the Proponent shall provide the Agency with a description of the potential adverse environmental effects of the change(s) to the Designated Project, the measures proposed to be implemented by the Proponent to mitigate adverse environmental effects, and the results of the consultation with Indigenous groups.	Not applicable. No activity undertaken.
3	Fish and Fish Habitat		
3.1		The Proponent shall implement erosion and sedimentation control measures within the Project area during all phases of the Designated Project to avoid the deposit of deleterious substances in waters frequented by fish.	Not applicable in 2017. No construction activities were undertaken in 2017.
3.2		The Proponent shall, taking into consideration Fisheries and Oceans Canada's <i>Measures to Avoid Causing Harm to Fish and Fish Habitat Including Aquatic Species at Risk</i> , implement mitigation measures when conducting Designated Project activities to avoid causing harm to fish and fish habitat, including timing work in or around water to respect the timing windows identified to protect fish.	Not applicable in 2017. No construction activities took place in 2017.
3.3		The Proponent shall comply with the <i>Metal Mining Effluent Regulations</i> and subsection 36(3) of the <i>Fisheries Act</i> regarding the deposit of effluent from the Designated Project in water frequented by fish, taking into account the Canadian Council of Ministers of the Environment's <i>Water Quality Guidelines for the Protection of Aquatic Life</i> , from the start of construction to the end of decommissioning. In doing so, the Proponent shall:	Not applicable in 2017. No construction activities took place in 2017.
	3.3.1	place all acid-generating and potentially acid-generating material into the tailings storage facility and submerge all such materials placed in the tailings storage facility under a permanent water cover; and	Not applicable in 2017. No construction activities took place in 2017.
	3.3.2	collect and treat all waters affected by the Designated Project that do not meet the requirements of the <i>Metal Mining Effluent Regulations</i> and subsection 36(3) of the <i>Fisheries Act</i> , as applicable, prior to the affected waters being deposited in waters frequented by fish.	Not applicable in 2017. No construction activities took place in 2017.

3.4		The Proponent shall install hydraulic plugs in the declines before the underground mine is flooded to direct seepage from the flooded underground mine towards East Cirque Creek.	Not applicable in 2017. No construction activities took place in 2017.
3.5		The Proponent shall, in a manner that complies with the <i>Metal Mining Effluent Regulations</i> and subsection 36(3) of the <i>Fisheries Act</i> , discharge water from the tailings storage facility into Attichika Creek during construction and the first year of operation such that flow rates downstream of the discharge location are within the range of minimum and maximum flow rates naturally occurring in Attichika Creek and shall only discharge water into Attichika Creek during open water months.	Not applicable in 2017. No construction activities took place in 2017.
3.6		The Proponent shall divert all runoff from the East Pit quarry into the tailings storage facility during construction and operation.	Not applicable in 2017. No construction activities took place in 2017.
3.7		The Proponent shall develop, prior to construction and in consultation with Indigenous groups, Gitksan Wilp Nii Kyap, and relevant authorities, and implement, from the start of construction to the end of decommissioning, a follow-up program to verify the accuracy of the environmental assessment as it pertains to fish and fish habitat and to determine the effectiveness of mitigation measures referred to in conditions 3.1 to 3.6. As part of the follow-up program, the Proponent shall:	
	3.7.1	monitor quality of water discharged in Attichika Creek during the dewatering of the Kemess South Pit and treat that water to meet the requirements of subsection 36(3) of the <i>Fisheries Act</i> ;	Not applicable in 2017. No dewatering activities took place in 2017.
	3.7.2	monitor surface water quality in Amazay Lake and groundwater movement between the subsidence zone identified by the Proponent during the environmental assessment and Amazay Lake;	Not applicable in 2017. No construction activities took place in 2017.
	3.7.3	monitor changes in channel form and sediment load downstream of the discharge location in Attichika Creek;	Not applicable in 2017. No construction activities took place in 2017.
	3.7.4	monitor changes in water quality in Waste Rock Creek and the tailings storage facility, including changes in selenium concentrations;	Not applicable in 2017. No construction activities took place in 2017.
	3.7.5	monitor the presence and use of spawning habitat by bull trout (<i>Salvelinus confluentus</i>) and rainbow trout (<i>Oncorhynchus mykiss</i>) downstream of the discharge location in Attichika Creek prior to and after the installation of the discharge pipeline into Attichika Creek. The Proponent shall offset any loss of spawning habitat for bull	Monitoring was initiated in 2017. Offsetting requirements have yet to be identified.

		trout (<i>Salvelinus confluentus</i>) and rainbow trout (<i>Oncorhynchus mykiss</i>) in Attichika Creek if monitoring results show that spawning habitat loss has occurred; and	
	3.7.6	monitor contaminants, including mercury, in the tissue of fish species harvested by Indigenous groups in Thutade Lake, including bull trout (<i>Salvelinus confluentus</i>).	Not applicable in 2017. No construction activities took place in 2017.
4	Migratory Birds		
4.1		The Proponent shall carry out Designated Project activities in a manner that protects migratory birds and avoids harming, killing, or disturbing migratory birds or destroying, disturbing, or taking their nests or eggs. In this regard, the Proponent shall take into account Environment and Climate Change Canada's <i>Avoidance Guidelines</i> . The Proponent's actions in applying the <i>Avoidance Guidelines</i> shall be in compliance with the <i>Migratory Birds Convention Act, 1994</i> and with the <i>Species at Risk Act</i> .	The condition is understood and will apply for the duration of the Project.
4.2		The Proponent shall deter migratory birds from accessing the tailings storage facility and seepage ponds until water quality is not harmful to migratory birds.	Not applicable in 2017. No construction activities took place in 2017.
4.3		The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures to avoid harm to migratory birds, their eggs, and nests, including the mitigation measures used to comply with conditions 4.1 and 4.2. The Proponent shall implement the follow-up program from the start of construction to the end of decommissioning.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
5	Human Health		
5.1		The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to adverse effects on the health of Indigenous Peoples caused by changes in concentrations of contaminants of potential concern identified during the environmental assessment in air, soil, water, and sediment. The Proponent shall implement the follow-up program during construction and operation. As part of the development of the follow-up program, the Proponent shall:	Refer to 2017 CEAA Annual Report Section 3.3
	5.1.1	identify levels of environmental change relative to established baseline conditions for contaminants of potential concern that would require the Proponent to implement modified or additional mitigation measure(s) to mitigate increased risks to human health; and	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction

			activities were undertaken in 2017.
	5.1.2	if monitoring results demonstrate that concentration levels for contaminants of potential concern are greater than the identified levels of environmental change, update the human health risk assessment for the consumption of traditional foods exposed to these contaminants and communicate the results of the updated human health risk assessment to Indigenous groups.	Not applicable in 2017 as follow up programs are still under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
6	Current use of lands and resources for traditional purposes		
6.1		The Proponent shall install and maintain, during construction and operation, ramps every 100 to 300 metres over the discharge line between the tailing storage facility and Attichika Creek to provide passage for moose (<i>Alces alces</i>), woodland caribou (<i>Rangifer tarandus caribou</i>), grizzly bear (<i>Ursus arctos</i>), and furbearers. The Proponent shall identify the locations of ramps in consultation with Indigenous groups and relevant authorities.	Not applicable. Construction did not start in 2017.
6.2		The Proponent shall create and maintain, during construction and operation, escape pathways along all access roads associated with the Designated Project, including the northern section of the Omineca Resource Access Road, to allow ungulates to exit the plowed roads. The Proponent shall identify the locations of escape pathways in consultation with Indigenous groups and relevant authorities.	Not applicable. Construction did not start in 2017.
6.3		The Proponent shall, from the start of construction to the end of decommissioning, remove carrion within 24 hours of its discovery by the Proponent from all access roads associated with the Designated Project, including the northern section of the Omineca Resource Access Road.	Not applicable. Construction did not start in 2017.
6.4		The Proponent shall prohibit employees and contractors associated with the Designated Project from fishing, hunting, and trapping within the Project Area, unless an employee or a contractor is provided access by the Proponent for traditional purposes or for exercising Aboriginal rights, to the extent that such access is safe.	Not applicable. Construction did not start in 2017.
6.5		The Proponent shall, prior to construction and in consultation with Indigenous groups and relevant authorities, conduct pre-clearing surveys to identify Western toad (<i>Anaxyrus boreas</i>) breeding habitat, and shall implement measures to mitigate the loss of Western toad (<i>Anaxyrus boreas</i>) breeding habitat caused by the Designated Project.	Not applicable. Construction did not start in 2017.
6.6		The Proponent shall conduct pre-clearing surveys to determine the distribution of little brown myotis (<i>Myotis lucifugus</i>) and Northern myotis (<i>Myotis septentrionalis</i>), and	Not applicable. Construction did not start in 2017.

		establish, in consultation with Indigenous groups and relevant authorities, buffer zones around active hibernacula and active roosts.	
6.7		The Proponent shall install, prior to construction, and maintain, during construction and operation, roosting structures to offset any loss of little brown myotis (<i>Myotis lucifugus</i>) and Northern myotis (<i>Myotis septentrionalis</i>) roosting habitat.	Not applicable in 2017. No construction activities took place in 2017.
6.8		The Proponent shall develop and implement a follow-up program to monitor the little brown myotis (<i>Myotis lucifugus</i>) and Northern myotis (<i>Myotis septentrionalis</i>) usage of buffer zones and roosting structures to determine the effectiveness of the mitigation measures during construction and operation.	Not applicable in 2017. No construction activities took place in 2017.
6.9		The Proponent shall, in consultation with Indigenous groups, undertake progressive reclamation of the habitats disturbed by the Designated Project. The Proponent shall use native species when undertaking that progressive reclamation.	Not applicable in 2017. No construction activities took place in 2017.
6.10		The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the presence of hoary marmot (<i>Marmota caligata</i>), white-tailed ptarmigan (<i>Lagopus leucura</i>), and short-eared owl (<i>Asio flammeus</i>) within the subsidence zone identified by the Proponent during the environmental assessment and within a buffer area of 250 metres along the limits of that subsidence zone. The Proponent shall implement the follow-up program during construction and operation.	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction activities were undertaken in 2017.
6.11		The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the effects of changes caused by the Designated Project to the Chase herd of Southern mountain caribou (<i>Rangifer tarandus caribou</i>) and the Thudade herd of Northern mountain caribou (<i>Rangifer tarandus caribou</i>) on caribou hunting activities for traditional purposes and to determine the effectiveness of the mitigation measures. The Proponent shall implement the follow-up program from the start of construction to the end of decommissioning. As part of the follow-up program, the Proponent shall:	Refer to 2017 CEAA Annual Report Section 3.10
	6.11.1	monitor, during construction and the first three years of operation, the use by moose (<i>Alces alces</i>), woodland caribou (<i>Rangifer tarandus caribou</i>), grizzly bear (<i>Ursus arctos</i>), and furbearers of the ramps referred to in condition 6.1 and of the escape pathways referred to in condition 6.2; and	Not applicable in 2017 as follow up programs are under review as part of the KUG permitting process. No construction

			activities were undertaken in 2017.
	6.11.2	monitor mortality of wildlife on all access roads associated with the Designated Project, including the northern section of the Omineca Resource Access Road.	Not applicable. Construction did not start in 2017.
6.12		The Proponent shall provide Indigenous groups with the implementation schedule, updates, or revisions to the implementation schedule pursuant to conditions 10.1 to 10.3 at the same time the Proponent provides these documents to the Agency.	Not applicable in 2017. No construction activities took place in 2017.
7	Physical and cultural heritage structures, sites, or things of historical, archaeological, paleontological, or architectural significance		
7.1		The Proponent shall, for any previously unidentified archeological structures, sites, or things of historical, archaeological, paleontological, or architectural significance discovered by the Proponent or brought to the attention of the Proponent by an Indigenous group, Gitxsan Wilp Nii Kyap, or another party during any phase of the Designated Project:	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed as part of the 2017 KUG permit application package. A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
	7.1.1	immediately halt work at the location of the discovery;	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed as part of the 2017 KUG permit application package. A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
	7.1.2	have a qualified individual conduct an assessment at the location of the discovery;	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed in as part of the 2017

			KUG permit application package. A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
	7.1.3	inform, forthwith, in writing, Indigenous groups and Gitxsan Wilp Nii Kyap of the discovery, and allow for monitoring by Indigenous groups and Gitxsan Wilp Nii Kyap during archeological work; and	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed in as part of the 2017 KUG permit application package. A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
	7.1.4	comply with all applicable legislative or legal requirements and associated regulations and protocols respecting the discovery, recording, transferring, and safekeeping of previously unidentified archeological structures, sites, or things of historical, archaeological, paleontological, or architectural significance.	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed in as part of the 2017 KUG permit application package. A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
7.2		The Proponent shall not undertake any ground altering activities within 50 metres of the boundaries of archeological sites, unless authorized by relevant authorities.	A Heritage Management Plan and accompanying Heritage Chance Find Procedure was developed as part of the 2017 KUG permit application package.

			A draft pre-construction Archaeological Impact Assessment report received on February 14, 2018 identified one new site. Refer to 2017 CEAA Annual Report Section 3.11
8	Independent Environmental Monitor		
8.1		Prior to the start of construction, the Proponent shall retain the service of an independent environmental monitor, who is a qualified individual as it pertains to environmental monitoring of mining projects in British Columbia, to observe, record, and report on the implementation of the mitigation measures set out in this Decision Statement.	Not applicable in 2017. No construction activities took place in 2017.
8.2		The Proponent shall give the independent environmental monitor the authority to stop Designated Project activities that do not comply with the conditions set out in this Decision Statement.	Not applicable in 2017. No construction activities took place in 2017.
8.3		The Proponent shall require the independent environmental monitor to prepare reports that include:	Not applicable in 2017. No construction activities took place in 2017.
	8.3.1	a description, including through photo evidence, of the Designated Project activities that occurred and the mitigation measures that were applied during the period covered by the report; and	Not applicable in 2017. No construction activities took place in 2017.
	8.3.2	a description, including through photo evidence, of occurrences of non-compliance related to the implementation of mitigation measures set out in this Decision Statement observed during the period covered by the report, the date of the occurrence(s) of non-compliance, whether Designated Project activities were stopped as a result of non-compliance, how the occurrence(s) of non-compliance was or were corrected by the Proponent, the date that the corrective action(s) was or were completed by the Proponent, or, if any, the status of pending occurrence(s) non-compliance that have not been corrected yet, and a description of any adverse environmental effect(s) associated with the occurrence(s) of non-compliance.	Not applicable in 2017. No construction activities took place in 2017.
8.4		The Proponent shall require the independent environmental monitor to retain the reports referred to in condition 8.3 until the end of decommissioning. The Proponent shall require the independent environmental monitor to provide the reports referred to in condition 8.3 to the Agency, Indigenous groups, and relevant federal authorities	Not applicable in 2017. No construction activities took place in 2017.

		within 10 days of their production. If occurrence(s) of non-compliance are observed by the independent environmental monitor, the Proponent shall require the independent environmental monitor to report all occurrence(s) of non-compliance directly to the Agency, Indigenous groups, and relevant federal authorities immediately.	
9	Accidents and malfunctions		
9.1		The Proponent shall take all reasonable measures to prevent accidents and malfunctions that may result in adverse environmental effects.	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
9.2		The Proponent shall, prior to construction, consult with Indigenous groups and relevant authorities on the measures to be implemented to prevent accidents and malfunctions.	Refer to 2016 CEEA Annual Report Section 4.11
9.3		The Proponent shall, prior to construction and in consultation with Indigenous groups and relevant authorities, develop an emergency response plan in relation to the Designated Project.	Refer to 2016 CEEA Annual Report Section 3.12
9.4		In the event of an accident or malfunction with the potential to cause adverse environmental effects, the Proponent shall implement the emergency response plan referred to in condition 9.3 and shall:	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.1	notify Indigenous groups, Gitksan Wilp Nii Kyap, and relevant authorities of the accident or malfunction as soon as possible, and notify the Agency in writing;	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.2	implement immediate measures to mitigate any adverse environmental effects associated with the accident or malfunction;	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.3	submit a written report to the Agency no later than 30 days after the day on which the accident or malfunction took place. The written report shall include:	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.3.1	a description of the accident or malfunction and of its adverse environmental effects;	No accidents or malfunctions with the potential to cause

			adverse environmental effects occurred during 2017.
	9.4.3.2	the measures that were taken by the Proponent to mitigate the adverse environmental effects of the accident or malfunction;	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.3.3	any views received from Indigenous groups, Gitxsan Wilp Nii Kyap, and relevant authorities with respect to the accident or malfunction, its adverse environmental effects, and measures taken by the Proponent to mitigate adverse environmental effects;	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.3.4	a description of any residual adverse environmental effects and any modified or additional measures required by the Proponent to mitigate residual adverse environmental effects;	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.3.5	details concerning the implementation of the emergency response plan referred to in condition 9.3; and	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
	9.4.4	submit a written report to the Agency, no later than 90 days after the day on which the accident or malfunction took place, on the changes made to avoid a subsequent occurrence of the accident or malfunction, and on the implementation of any modified or additional measures to mitigate and monitor residual adverse environmental effects and to carry out any required progressive reclamation, taking into account the information in the written report submitted pursuant to condition 9.4.3.	No accidents or malfunctions with the potential to cause adverse environmental effects occurred during 2017.
9.5		The Proponent shall develop and implement a communication plan in consultation with Indigenous groups and Gitxsan Wilp Nii Kyap. The Proponent shall develop the communication plan prior to construction and shall implement and maintain it up to date from the start of construction to the end of decommissioning. The plan shall include:	Refer to 2017 CEAA Annual Report Section 3.12
	9.5.1	the types of accidents and malfunctions requiring the Proponent to notify the respective Indigenous groups and Gitxsan Wilp Nii Kyap;	Refer to 2016 CEAA Annual Report Section 3.12
	9.5.2	the manner by which Indigenous groups and Gitxsan Wilp Nii Kyap shall be notified by the Proponent of an accident or malfunction and of any opportunities for the	Refer to 2016 CEAA Annual Report Section 3.12

		Indigenous groups and Gitxsan Wilp Nii Kyap to assist in the response to the accident or malfunction; and	
	9.5.3	the contact information of the representatives of the Proponent that the Indigenous groups and Gitxsan Wilp Nii Kyap may contact and of the representatives of the respective Indigenous groups and Gitxsan Wilp Nii Kyap to which the Proponent provides notification.	Refer to 2016 CEEA Annual Report Section 3.12
10	Implementation schedule		
10.1		The Proponent shall submit an implementation schedule for conditions contained in this Decision Statement to the Agency at least 30 days prior to the start of construction. The implementation schedule shall indicate the commencement and completion dates for each activity relating to conditions set out in this Decision Statement.	Not applicable in 2017. No construction activities took place in 2017.
10.2		The Proponent shall submit an update to this implementation schedule in writing to the Agency every two years on or before March 31, until completion of the activities.	Not applicable in 2017
10.3		The Proponent shall provide the Agency with a revised implementation schedule if any material change(s) occur from the initial schedule referred to in condition 10.1 or any subsequent update(s). The Proponent shall provide the revised implementation schedule at least 30 days prior to the implementation of the change.	Not applicable in 2017. No construction activities took place in 2017.
11	Record keeping		
11.1		The Proponent shall maintain all records relevant to the implementation of the conditions set out in this Decision Statement, including any records that the Agency considers relevant. The Proponent shall provide the aforementioned records to the Agency upon demand within a timeframe specified by the Agency.	This practice occurred in 2017
11.2		The Proponent shall retain all records referred to in condition 11.1 at a facility in Canada. The records shall be retained and made available throughout construction and operation and until the end of decommissioning. The Proponent shall notify the Agency at least 30 days prior to any change to the physical location of the facility where the records are retained and shall provide the address of the new location.	Required information can be accessed from the Kemess Mine Site or AuRico Metals /Centerra Gold offices in Toronto.