

Plain Language Summary

4.1 - 4.5 Assessment Process

Application
Review Stage
100 Days

3. Complete Application

- Proponent submits Application
- BC EAO screens Application for completeness
- Proponent supplements Application as needed

4. Analysis

- Application reviewed by Working Group
- Application posted for public comment
- Public comment period

5. Assessment Report

- BC EAO prepares Assessment Report
- Executive Director referral to Ministers

6. Decision

Application

Assessment Report

Certificate

Overview

The following chapters of the KGHM Ajax Application/EIS have been summarized in plain language. The full Application/EIS can be viewed online at www.ajaxmine.ca.

2.7	Economic and Social Benefits of the Project	7.4	Business Effects Assessment
3.17	Closure and Reclamation	7.5	Property Values Assessment
4.1 - 4.5	Assessment Process	7.6	Economic Diversification Effects Assessment
4.6 & 4.7	Information Distribution and Consultation Public and Agency Information Distribution and Consultation	8.1	Infrastructure, Public Facilities, and Services Assessment
5.0	Environmental Assessment Methodology	8.2	Dark Sky Effects Assessment
6.1	Greenhouse Gas Effects Assessment	8.3	Visual Impact and Aesthetic Features Effects Assessment
6.2	Geology, Landforms, and Soils Assessment	8.4	Land and Resource Use Assessment
6.3	Surface Water Quality Effects Assessment	8.5	Current Use of Lands and Resources for Traditional Purposes Assessment
6.4	Surface Water Quantity Effects Assessment	8.6	Outdoor Recreation Effects Assessment
6.5	Groundwater Quality Effects Assessment	8.7	Jacko Lake Effects Assessment
6.6	Groundwater Quantity Effects Assessment	9.1	Archaeological Sites Assessment
6.7	Fish and Fish Habitat Effects Assessment	9.2	Assessment of Effects on Aboriginal and Non-Aboriginal Heritage Sites
6.8	Rare Plants Effects Assessment	10.1	Air Quality Effects Assessment
6.9	Rare and Sensitive Ecological Communities Effects Assessment	10.2	Domestic Water Quality Effects Assessment
6.10	Grasslands Effects Assessment	10.3	Country Foods Effects Assessment
6.11	Terrestrial Invertebrates Effects Assessment	10.4	Human Health Effects Assessment
6.12	Amphibians Effects Assessment	10.5	Noise and Vibration Effects Assessment
6.13	Reptiles Effects Assessment	10.6	Healthy Living and Health Education Effects Assessment
6.14	Migratory Birds Effects Assessment	10.7	Community Health and Well-Being Effects Assessment
6.15	Raptors Effects Assessment	12 - 16	Part C – Aboriginal Groups Information Requirements
6.16	Non-Migratory Game Birds Effects Assessment	17.4	Alternative Means of Carrying Out the Project
6.17	Mammals Effects Assessment	17.5	Effects of the Environment on the Project
7.1	Economic Growth Effects Assessment	17.6	Accidents and Malfunctions
7.2	Labour Force, Employment, and Training Effects Assessment		
7.3	Income Effects Assessment		

4.1- 4.5 Assessment Process

1. Introduction

This is a summary of The **Assessment Process**, (Sections 4.1 - 4.5 of Chapter 4 of the Application/EIS), which outlines the provincial and federal processes for assessing KGHM Mining Inc.'s (KAM's) environmental effects.

In Canada, major projects such as transport, energy, and mine developments undergo an Environmental Assessment (EA). An EA is a legislated process that enables the government to determine whether projects are environmentally, economically, and socially sustainable, and, if approved to proceed, whether specific conditions should be placed on how these projects are to be built and managed. The process also allows for the issues and concerns of the public, Aboriginal groups, interested stakeholders, and government agencies to be incorporated into project planning.

Based on legislated regulatory triggers that have been established, the Ajax Project is required to undergo both a federal and provincial EA process.

2. Overview of the Environmental Assessment Process

The provincial and federal governments have different EA processes with many similarities. In general, both processes:

- Provide opportunities to all interested parties, including Aboriginal groups, to identify issues and provide input;
- Assess potential environmental, social, economic, heritage, and health effects of the proposed project;
- Describe management measures that avoid, minimize, control, or offset adverse effects, and that enhance beneficial outcomes; and
- Consider issues and comments raised by interested parties when evaluating the significance of likely adverse effects, and when making recommendations about whether the project may proceed.

The provincial and the federal EA processes move through several steps:

- Determination of whether an EA is required;
- Establishment of a Working Group—a group of people from provincial and federal governments, as well as Aboriginal groups—whose role it is to comment on key EA documents;
- Creation of clear guidelines for the preparation of an EA document (referred

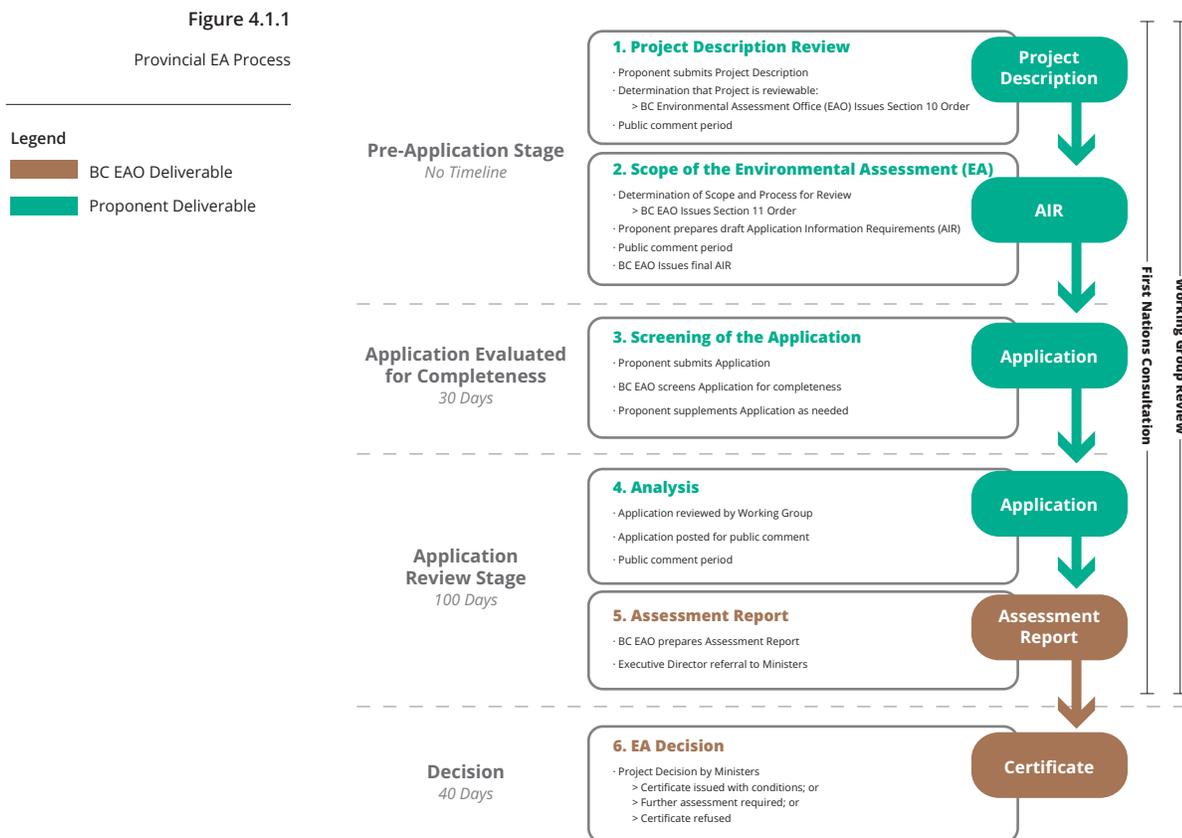
to as the Application by the Province and the Environmental Impact Statement (EIS) by the federal government);

- Preparation of the Application/EIS, including detailed scientific studies by the project proponent;
- Review and analysis of the Application/EIS by government, and comment from the public and Aboriginal groups;
- Government recommendations on whether the project should proceed; and
- A final decision from provincial and federal ministers on whether the project can proceed, and if so, under what conditions.

3. The Provincial and Federal Environmental Assessment Processes

The provincial EA process (Figure 4.1.1) has three stages:

- Pre-Application;
- Application Review; and
- Decision.



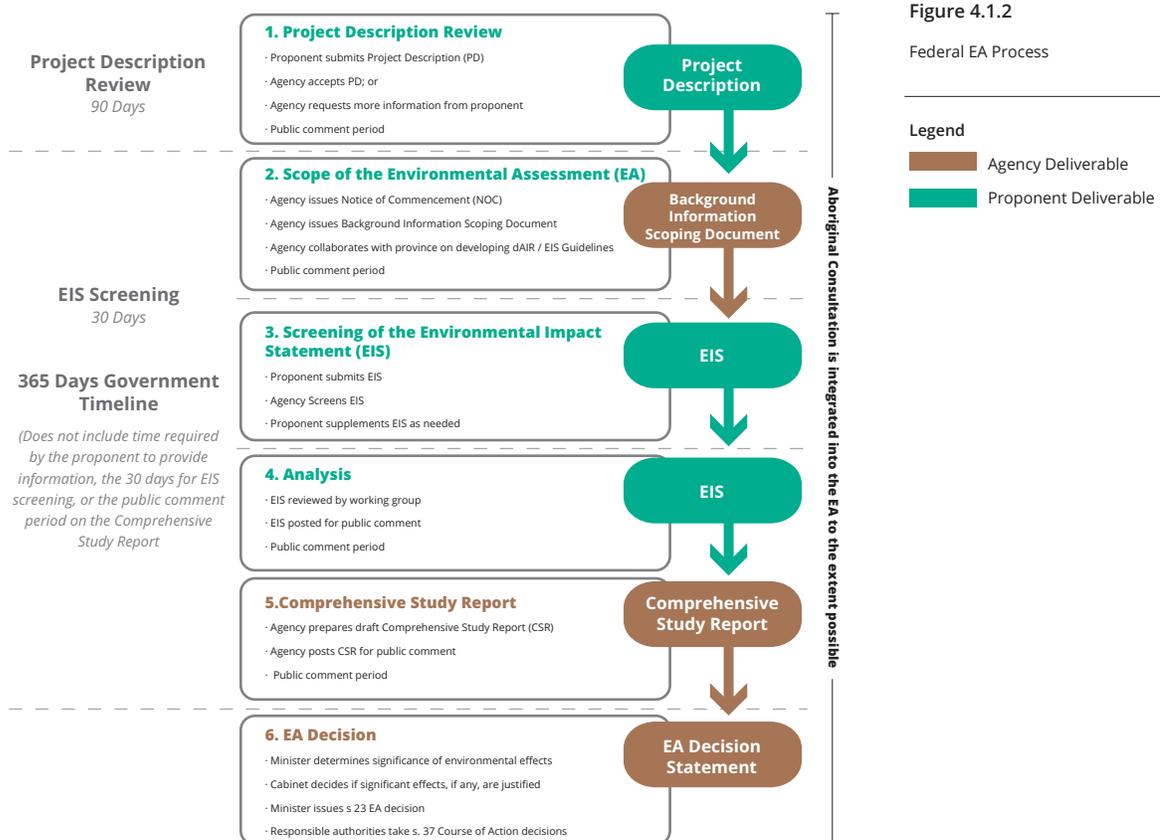
The federal EA process is shown in Figure 4.1.2. While the federal EA process has no prescribed stages like the provincial process, the federal process involves important milestones.

For projects that must undergo a federal and provincial EA process, such as the Ajax Project, the governments have an agreement that aligns their assessment processes and minimizes duplication. The agreement improves efficiency by allowing, for example, both governments to:

- Conduct joint public comment periods;
- Coordinate Aboriginal consultation;
- Use common documents, like the project description, the joint Application Information Requirement (AIR)/EIS Guidelines, and the Application/EIS, to meet the requirements of both governments; and
- Establish common Working Groups to facilitate the review process.

The Ajax Project is subject to this coordinated provincial-federal EA process, which it entered in 2011.

In 2012, the Canadian government revised the *Canadian Environmental Assessment Act (CEA)*, which governs the federal EA process. Since the Ajax Project had already begun the federal EA process when this new legislation came into force, the Ajax Project follows the former *Canadian Environmental Assessment Act, 1992*.



4. Starting the Environmental Assessment Process

The EA process formally begins when a proponent submits their project description to the provincial and federal governments. The project description includes information such as the size of the project, how it will be developed, and the amount of goods the project plans to produce. The provincial and federal governments then decide whether the project should proceed through the EA process, and how it will be assessed. Proponents whose project description has been accepted by governments are said to be in the provincial “pre-application stage”.

KAM entered the pre-application stage of the provincial process on December 6, 2010. The BC Environmental Assessment Office (EAO) and the Canadian Environmental Assessment (CEA) Agency reviewed the project description and provided comments, which KAM addressed and resubmitted on February 8, 2011. The BC EAO confirmed on February 25, 2011, via a document called Section 10 Order, that the Ajax Project needed to pass through the provincial environmental assessment process. The CEA Agency said on May 31, 2011, via a document called ‘Notice of Commencement’, that the Project required a federal EA as well. The federal government has 365 days from the time it tells proponents their projects are federally reviewable to the time it must post the “Comprehensive Study Report” for public comment. The CEA Agency or the proponent can request that the 365-day “clock” be paused or stopped if they are missing information needed for the EA process.

The CEA Agency prepared a Background Information document and posted it on their website, CEARIS, on June 1, 2011, and later revised on August 26, 2011. The Background Information document identifies the scope of the federal assessment, factors to be considered, and information related to public participation and Aboriginal consultation to be included in the EIS.

On January 11, 2012, the BC EAO issued a document called a Section 11 Order identifying how KAM should assess potential effects, including requirements for consulting the public, government agencies, and Aboriginal groups.

In May 2014, KAM issued revised plans for the Project. Under these plans, and amongst other changes, Project facilities were clustered to create a smaller footprint farther away from the City of Kamloops, and the tailings storage location and technology was revised. These changes were made to address concerns over noise, dust, vibrations, and views, among other things. After the release of these updated plans, the BC EAO revised its requirements for the Application/EIS, and updated the requirements for consultation with Aboriginal groups.

5. What Does the Application Include?

Once the BC EAO and the federal CEA Agency have determined the requirements for their respective EA process, both government agencies and the project proponent work together to develop a document that outlines what the Application/EIS must include to satisfy provincial and federal requirements (“AIR/EIS Guidelines”).

In line with the federal-provincial coordination process, KAM prepared the provincial AIR and the federal EIS Guidelines as one document. KAM submitted a draft AIR/EIS Guidelines to the BC EAO and CEA Agency on April 18, 2011, later addressed their comments and resubmitted an updated draft AIR/EIS Guidelines on June 15, 2011. KAM revised the draft AIR/EIS Guidelines a second time to incorporate additional feedback, and re-submitted on August 11, 2011. KAM submitted a third draft AIR/EIS Guidelines, incorporating Working Group comments, on January 6, 2012.

From January 11 to March 27, 2012, the draft AIR/EIS Guidelines was posted to government websites for 75 days of public comment. Information sessions were held on February 6 and 7, 2012, at the Kamloops Towne Lodge, to explain the purpose and content of the draft AIR/EIS Guidelines and to seek written input from the public on whether the proposed studies, methods, and information required satisfied the public's interests and concerns. Issues and concerns were tracked and responded to by KAM.

Recognizing the high degree of public interest in the Ajax Project, the BC EAO set up a multi-stakeholder Community Advisory Group (CAG) in February 2012. This group, which is made up of development corporations, conservation groups, academic institutions, doctors' associations, and other special interest groups, is unusual for BC's EA process. The government, however, felt it would allow for a strong local voice in the EA process. Unlike Working Group meetings, where KAM is an active participant, Community Advisory Group meetings are at arm's length to KAM, unless KAM is specifically invited.

The CEA Agency approved the final AIR/EIS Guidelines on June 3, 2013 and the BC EAO posted the final AIR/EIS Guidelines on their public website on June 25, 2013. The final AIR/EIS Guidelines incorporated comments from the public, Aboriginal groups, the Working Group, the Community Advisory Group (CAG), and federal, provincial, and local government agencies.

The Project's general arrangement and design changes were included in a revised AIR/EIS Guidelines posted to the BC EAO's website on November 10, 2014, then reviewed and modified based on feedback from the Working Group. The provincial and federal governments held a 30-day public consultation period on the revised AIR/EIS Guidelines from November 18 to December 18, 2014, then revised and finalized the AIR/EIS Guidelines based on this feedback on July 23, 2015.

6. Preparing the Application/EIS

The next step in the pre-application stage is for the proponent to prepare the Application/EIS (the "Application" is provincial; the "EIS" is federal). KAM, along with the scientists who conducted the assessment, completed studies and compiled information according to the AIR/EIS Guidelines. The Application/EIS includes scientists' best professional estimates of whether the Ajax Project is likely to create potentially significant adverse effects. As part of the Application/EIS, KAM was required to identify ways they would avoid, reduce, or control adverse effects. During the period

of time the Application/EIS was being prepared by KAM, the Working Group met on specific issues on water quality, noise, and air quality. KAM met with Aboriginal groups and the public. Input from the Working Group, the CAG, Aboriginal groups and the public was used by KAM in the development of the Application/EIS.

KAM formally submitted the Project Application/EIS to the BC EAO and the CEA Agency on September 14, 2015. At this point, the 365-day “clock” resumed on the federal government’s decision regarding the Project, which can be paused or stopped if additional information is needed.

The federal and provincial agencies then began a 30-day period where they, with feedback from the EA Working Group and Aboriginal groups, review the Application/EIS for completeness against the AIR/EIS Guidelines. Small errors or omissions can be corrected within the 30-day timeframe, but if a larger information gap is identified, the proponent may have to collect the information and resubmit the Application/EIS. The Stk’emlupsemc te Secwépemc Nation (SSN) asked the BC EAO to extend the screening period to allow the SSN time for thorough comments on the completeness of the Application/EIS. The BC EAO opted to extend the screening period by 38 days.

7. Next Steps

In December 2015, the BC EAO and CEA Agency, with input from the Working Group, determined that the Application/EIS includes all of the information identified in the AIR/EIS Guidelines, and could undergo a detailed review in what is called the “Application Review Stage.”

► Application Review

During the application review stage, the Working Group begins their formal review of the Application/EIS. KAM has provided paper and electronic copies of the Application/EIS to the EA Working Group, Aboriginal groups, public libraries, and other stakeholders as directed by the BC EAO, with support from the CEA Agency and Working Group. The Application/EIS has also been uploaded to the BC EAO’s and CEA Agency’s websites, and the general public is welcome to review the Application/EIS in detail and provide comments during the public comment period.

The provincial application review stage is 180 days long and must include one formal 30-day public comment period, so the public can formally submit comments on the Application/EIS. KAM is required to track and respond to all of the comments made by the EA Working Group, Aboriginal groups, and the public.

During the latter half of the application review stage, the BC EAO prepares an Assessment Report that summarizes the Application/EIS and any outstanding issues, as well as recommendations for the Minister of the Environment and the Minister of Energy and Mines. The ministers make a final decision based on these recommendations, which include the conditions that KAM must meet if they are allowed to proceed.

Federally, a Comprehensive Study Report (CSR) summarizing the Application/EIS and outstanding issues is prepared by the CEA Agency. The Comprehensive Study Report is first submitted to the EA Working Group, Aboriginal groups, and the proponent for their final review and comment, and then submitted to the federal Minister of the Environment for decision.

► Decision

The provincial ministers have 45 days to review and decide on the Project, with their decision then posted to the BC EAO's website. If the Project is approved, it will receive an EA Certificate, a legally binding document granting Project approval on the condition the proponent receive all applicable permits and meet any conditions attached.

Federally, the Minister of the Environment will issue an EA decision statement that sets out:

- The Minister's opinion on whether the Project is or is not likely to cause significant adverse environmental effects; and
- Any management measures or follow-up monitoring that the proponent must comply with.

Once the provincial and federal ministers' decisions are made—and if the decision is positive—government agencies can issue the federal and provincial permits needed by KAM for the Project. Permit applications will need to be submitted by KAM in accordance with legislated processes.

Access the Summaries

Key sections of the KGHM Ajax Environmental Assessment have been summarized and made available to the public:

► **View the Summaries Online**

ajaxmine.ca

► **Request a Copy**

Request copies of individual chapters:

ajax.project@kghm.com

250-374-5446

► **View a Copy**

The following locations have a copy of each Plain Language Summary available to read during their business hours:

**KGHM Ajax
Head Office**

124 Seymour Street
Kamloops, BC

TNRD Library

Downtown Kamloops

100-465 Victoria Street
Kamloops, BC

**City of Kamloops
City Hall**

7 Victoria Street West
Kamloops, BC

TNRD Library

North Kamloops

693 Tranquille Road
Kamloops, BC