## TRANSBOUNDARY WATERS 2020

A newsletter about mining interests and the shared rivers, watersheds and fisheries within the transboundary area of British Columbia and Alaska.

# Tulsequah Chief Mine Update

The Tulsequah Chief mine, located 100 km south-west of Atlin B.C., is a historic copper/lead mine which operated from 1951 to 1957. The mine site is on the Tulsequah River about 10 km upstream from its confluence with the Taku River, located in the traditional territory of the Taku River Tlingit First Nation (TRTFN). The mine is currently owned by Chieftain Metals Ltd (Chieftain), who acquired the property, and an amended Mines Act permit in 2011.



Tulsequah River near the Tulsequah Chief Mine site

Chieftain undertook exploratory drilling, a feasibility assessment, and constructed and operated an interim water treatment facility for three months, after which construction at the mine site was suspended, and the mine was shifted into care and maintenance status. On September 6, 2016, Chieftain was placed into receivership.

In a hearing on August 11, 2020 before Chief Justice Morawetz in the Ontario Superior Court of Justice, the Government of B.C. and TRTFN argued for an end to the receivership process. On October 8, 2020, the Chief Justice released his decision wherein he discharged the receiver and authorized Chieftain's primary secured



creditor to bring a motion no later than August 11, 2022 to seek the re-appointment of the receiver. In the interim, the B.C. government will continue to pursue the options available to it to progress toward site reclamation.

#### Works on Site Summer 2020



In-stream sampling work undertaken adjacent to existing Tulsequah Chief quonsets.

Working collaboratively with the TRTFN and the Government of Alaska, the Government of B.C. released a conceptual closure and reclamation plan for the Tulsequah Chief Mine in August 2020. The closure and reclamation plan outlines a phased approach that involves a series of steps designed to reduce the ongoing contamination. It is designed to be flexible, so changes can be made once more information is gathered from the site.

Some of the first steps include repairing bridges, upgrading the access road, establishing an erosion protection berm and repairing the existing airstrip. This work is required to prepare the site in order to address environmental, health and safety issues and undertake long-term remediation. The Government of B.C. committed \$1.575M towards these initial activities in 2020 and, working collaboratively with the TRTFN,



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undertook initial physical works required to rehabilitate the site for future reclamation efforts. Approximately 25 local residents were employed by the Atlin Tlingit Economic Limited Partnership to work on the site over the summer. The TRTFN are also involved in the multiyear aquatics monitoring program. An initial assessment of water treatment plant functionality is ongoing.

For further information on the Tulsequah Chief Mine please visit.

www2.gov.bc.ca/gov/content/environment/air-land-water/ site-permitting- compliance/tulsequah- mine

## **Mines Act Amendments**

On August 14, 2020 government brought into force a number of amendments to the *Mines Act* to better protect workers, the environment and the public, and to improve permitting. The amendments were informed by lessons learned from the Mount Polley mine disaster; recommendations made by the Office of the Auditor General for B.C.; and recommendations from the Mining Jobs Task Force. Feedback obtained during a public engagement process from September 21, 2019 to October 25, 2019 was also considered.

The amendments formalized the Ministry of Energy, Mines and Low Carbon Innovation's organizational structure by creating a new chief permitting officer (CPO) position, distinct from the chief inspector of mines (CIM). The CPO will ensure the mine permitting process is efficient and effective. The CIM retains full responsibility for health, safety and enforcement. This regulatory separation allows both the CIM and CPO to dedicate their efforts to their respective regulatory accountabilities. Prior to these amendments, the CIM was responsible for



both permitting decisions and for health and safety and enforcement under the *Mines Act*.

The amended *Mines Act* further strengthens government's ability to hold mining companies accountable. Investigation authorities have been broadened, offence provisions have been modernized, and the amount of time allowed to prosecute an offence has been increased from three to five years in both the Mines Act and the Environmental Management Act. The authority for the CIM to take action when needed has been clarified and broadened. The CIM may enter any mine and take action where there is an emergency in order to prevent danger to persons, property or the environment. This authority is coupled with strengthened abilities to recover the costs of taking action. The requirement to complete reclamation obligations has also been clarified in the Mines Act.

The proposed changes also formalized the creation of the Mine Audits and Effectiveness Unit, led by a chief auditor. This unit will conduct audits to ensure mining regulation in B.C. is effective and aligned with global best practices.

Together, these changes will lead to a more efficient and effective permitting process, strengthen regulatory oversight, and create an audit function to support continuous improvements to regulatory oversight. The changes will support quality economic growth for British Columbians and ensure that mining is conducted safely and responsibly.



# Establishment of B.C.'s Mine Audits and Effectiveness Unit

The Mine Audits and Effectiveness Unit (the Audit Unit) is an independent body within the Ministry of Energy, Mines and Low Carbon Innovation (the Ministry). The Audit Unit conducts audits to evaluate the effectiveness of the regulatory framework for mining in British Columbia in protecting the public, workers and the environment. The independence of the Audit Unit was formalized by the creation of the Chief Auditor, a statutory role outlined in the newly amended Mines Act (August 2020). The first Chief Auditor was appointed on September 28, 2020.

Each audit focuses on a provincially regulated area of mining. When conducting an audit, the Audit Unit will assess the effectiveness of a specific regulated area of mining (e.g., tailings storage facilities) by reviewing: 1) mining sector compliance, safety and environmental performance; 2) Ministry policies, programs, practices and actions; and 3) current regulatory requirements. Industry best practice is also considered.

After completing an audit, the Chief Auditor must provide a publicly accessible final report to the Minister of Energy, Mines and Low Carbon Innovation. Each report will outline the audit's findings, conclusions and recommendations to improve British Columbia's mining regulatory framework. The Audit Unit will periodically follow-up and publicly report on the Province's progress against the recommendations.

The Audit Unit currently has two audits underway related to: 1) requirements for tailings storage facilities, and 2) worker safety in mobile equipment operation. For more information about the Audit Unit, or if you would like to submit a potential audit topic, please visit the Audit Unit's website at: https://www2.gov.bc.ca/gov/ content/industry/mineral-exploration-mining/13315

# Transboundary Mine Updates

Technical Working Group on Monitoring



Map showing Joint Alaska–B.C. Transboundary Sampling Locations and Mining Activities

Five years ago, the governments of Alaska and B.C. formed a cross-border Technical Working Group on Monitoring (TWG-M) to develop and implement a Joint Water Quality Program for Transboundary waters. Sampling for the twoyear water quality program in the Taku, Stikine and Unuk watersheds ended in September 2019 and the TWG-M released a status report in March 2020.

The group has finalized two summary reports: a program review and a data report. The program review report summarizes the activities and outcomes of the TWG-M



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from 2015 to 2019 including:

• engaging with government agencies, Tribes and First Nations, the scientific community, mine industry representatives, environmental organizations and the public at formal and informal meetings to discuss transboundary issues;

· hosting workshops and presentations;

• developing, distributing and summarizing a community resources and values survey;

• identifying existing aquatic data and data sources for the transboundary region; and

• developing and implementing a two-year water quality monitoring program.



Clements Brace (TCG) and Kindra Maricle (FLNRO), 2019 Unuk River field sampling support

The technical monitoring report builds on the 2020 status report. It details the results of the sampling activities conducted under the Joint Water Quality Program from August 2017 to September 2019. During this period government staff, with the help of Indigenous groups, collected water, sediment and biological (benthic macroinvertebrate and juvenile fish) samples from the Stikine, Taku and Unuk watersheds on both sides of the border. In addition, the B.C. Ministry of Environment and Climate Change Strategy audited water samples collected by the mining industry in the Stikine and Unuk watersheds to validate industry data. The report summarizes the results of the sampling and data validation programs and characterizes current conditions in the transboundary watersheds.

On February 2021, the Bilateral Working Group approved the final reports (<u>posted here</u>); completing its tasks as required under the Alaska and British Columbia Statement of Cooperation (SOC). British Columbia and Alaska will continue to collaborate, pursuant to the Memorandum of Understanding and SOC, to ensure the long-term protection of the transboundary waters.



Clements Brace (TCG) and Kindra Maricle (FLNRO), 2019 Unuk River field sampling support

