## **BLACKWATER GOLD PROJECT**

APPLICATION FOR AN ENVIRONMENTAL ASSESSMENT CERTIFICATE / ENVIRONMENTAL IMPACT STATEMENT ASSESSMENT PROCESS



## **Appendix 3.1.3A AIR Tracking Tables**





| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                     | dAIR Version<br>Reference  | Comment   | Proponent Response  | Action dAIR  | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|---------------------------------------|--|---|---|--|------------------------|
| 1.              | C<br>(April 2013)       | -                  | Jackie Thomas<br>Saik'uz First Nation |  | It's my assumption that there will be a baseline of historical rainfall for the study area as well as the links to the soil instability from the Mountain Pine Beetle epidemic that went through this area? | Comment noted.  Follow-up response: On May 6, 2013 meeting was held with the Saik'uz First Nation to discuss this matter.  At the time, no follow-up action was identified with respect to response. The scope and process of the assessment was explained. It was also noted that historic climate information will be presented in Section 5.1.1.1 Climate. Terrain stability and baseline conditions will be described under Section 5.1.3.2 Soils and Terrain. The current condition of the vegetation will be described in Section 5.1.3.3 Vegetation and will take into account logging activities and the effects of the Mountain Pine Beetle epidemic.  | Version G: No change required.   | Satisfied              |
| 2.              | C<br>(April 2013)       | May 24, 2013       | Jackie Thomas<br>Saik'uz First Nation | Section 5.1.3.4 Wildlife and Wildlife Habitat Section 5.4.6: Amphibian Valued Components   | In terms of amphibians listed, I didn't see any reference to snakes, so there must not be any there?  | Comment noted.  Follow-up response:  Section 5.1.3.4 Wildlife and Wildlife Habitat will present an overview of the results of amphibians and reptiles surveys. As explained during the meeting of May 6, 2013 the common garter snake was the only snake species detected within the entire Project study area and occurred within the access route study area.  No follow-up action from the meeting was identified.   | Version G: No change required.   | Satisfied              |
| 3.              | C (April 2013)          |                    | Jackie Thomas<br>Saik'uz First Nation | Section 14 Aboriginal Groups Background Information Section 15 Aboriginal Rights Section 5.4.4: Ecosystem composition Section 5.4.5 Plant Species and Ecosystems at Risk | I would suggest that a study of medical plants in the area be developed of included, especially for the downstream areas.   | Comment noted.  Follow-up response:  On May 6, 2013 meeting was held with the Saik'uz First Nation to discuss this matter in greater detail. The importance of medicinal plants was discussed and revising Section 14 of the dAIR was identified as an action.  The use of medicinal plants will be discussed in Section 14 First Nations Background Information while Section 15 Aboriginal Rights of the Application will discuss potential effects of the Project on resources used by First Nations, including medicinal plants.  One on one interviews have been conducted with representatives from Lhoosk'uz Dene Nation (July 2013), Saik'uz First Nation (January 2013 and May 2013) and Skin Tyee representatives (January 2013). Information from these interviews and secondary research with Aboriginal Groups regarding plant harvesting (Section 14.2.4.1 of the Application), resulted in selection of berry-producing plants to represent traditional use plants (including medicinal plants) in the assessment.  The VC Ecosystem Composition will be revised to include a new indicator titled "traditional use plant habitat". This VC will assess effects to plant habitat. The results of this assessment will be used to describe effects to Aboriginal Groups' use of medicinal and food plants under a new VC named "Current Land and Resource Use for Traditional Purposes". This new VC will be included in Section 7.2.7 of the dAIR and the Application.  Traditional use plant habitat information will be derived from baseline plot data that includes plant species presence and abundance. Plant species that are berry-producing and occur within the project area will be selected and correlated to site series. Using the ecosystem map, potential berry- producing areas will be identified. Primary traditional land use information will inform this assessment, where available.  Section 5.4.5 Ecosystem Composition will now assess effects to traditional use plant habitat while Section 15 (Aboriginal Rights) will present an assessment of effects on the Aboriginal Rights) | Version G: Section 7.2.7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes".  Section 5.4.5 Ecosystem Composition was updated to include a new indicator titled: "Traditional use plant habitat". | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                     | dAIR Version<br>Reference                                      | Comment   | Proponent Response   | Action dAIR  | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|---------------------------------------|--|---|--|--|------------------------|
|                 |                         |                    |                                       |  |   | were chosen to represent traditional use and were confirmed to occur in the Project area by the baseline field program. All are upland species and the leaves, stems, and roots are used for food, medicine, or tea (Young and Hawley, 2010; Turner, 1997).  |  |                        |
| 4.              | C<br>(April 2013)       |                    | Jackie Thomas<br>Saik'uz First Nation | Section 5.4 Terrestrial<br>environmental Effects<br>Assessment | In terms of other animals, I didn't see reference to are woodpeckers, eagles, deer or any bugs from Mosquitoes to bees.   | Comment noted.  Follow-up response:  On May 6, 2013 a meeting was held with the Saik'uz First Nation to discuss this matter. The scope and process of the assessment was explained. It was also noted that potential effects on wildlife and wildlife habitat will be covered through the assessment of potential effects on representative VCs and their indicators: Section 5.4.7 (Amphibian Valued Components), Sections 5.4.8 and 5.4.9 (Bird Valued Components), Sections 5.4.10 to 5.4.14 (Mammal Valued Components), and Section 5.4.15 (Invertebrate Valued Components). During the meeting, it was explained that it is not practical to include all species present in the LSA as indicators of potential Project effects on wildlife. Further detail related to how valued components were selected can be found in the updated dAIR companion document, which will be provided with version G of the dAIR.   | Version D: No action required.  Version G: No change required. | Satisfied              |
| 5.              | C<br>(April 2013)       | May 24, 2013       | Jackie Thomas<br>Saik'uz First Nation | not given  | Is there going to be any work done for the energy requirements for the operations and the access to this area?  | Comment noted.  Follow-up response:  On May 6, 2013 meeting was held with the Saik'uz First Nation to discuss this matter. The proposed Project energy requirements were explained. It was also noted that Project energy supply will be described in Section 2.2 of the Application. The transmission line will connect the mine site an existing BC Hydro substation located in Endako. The transmission line will be one of the first project components that will be built, and construction will take approximately 12 months. During the construction of the transmission line, construction activities at the mine site will be powered by diesel generators. This information is also presented in Section 2.2.4 Off-site Infrastructure of the dAIR.  Access to the mine site will be through a new access road approximately 15 km long that will connect to the existing Kluskus-Ootsa FSR. This information is presented in Section 2.2.4 Off-site Infrastructure of the dAIR. | Version D: No action required.  Version G: No change required. | Satisfied              |
| 6.              | C<br>(April 2013)       |                    | Jackie Thomas<br>Saik'uz First Nation | not given  | Where would the garbage be going from the operations plant? Sewage?   | Comment noted.  Follow-up response:  On May 6, 2013 meeting was held with the Saik'uz First Nation to discuss this matter. The proposed Project waste management processes were explained. It was also noted that Section 12.2 of the dAIR identifies the Environmental Management Plans that will be presented in the Application. The Environmental Management Plans include topics on hazardous materials management, water quality and liquid discharges management, and industrial and domestic waste management. Industrial and domestic waste will be deposited at a landfill or incinerated at a location within the mine site. Hazardous waste will be shipped off site for final disposal at an appropriate facility. Sewage generated at the construction and operations camps will be treated on site to meet regulatory requirements.   | Version D: No action required.  Version G: No change required. | Satisfied              |
| 7.              | C<br>(April 2013)       |                    | Jackie Thomas<br>Saik'uz First Nation | Section 7  | Finally, I am understanding that there would be a social impacts and mitigation plan developed as our neighbours are now experiencing these from mining projects? | Comment noted.  Follow-up response: On May 6, 2013 meeting was held with the Saik'uz First Nation to discuss this matter. At the time, it was explained that potential effects on social environment caused by the Project will be assessed in   | Version D: No action required.  Version G: No change required. | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version  | Date of Comment               | Author of Comment                     | dAIR Version<br>Reference                   | Comment  | Proponent Response  | Action dAIR  | EAO Comment/<br>Status |
|-----------------|--------------------------|-------------------------------|---------------------------------------|---|--|---|--|------------------------|
|                 |                          |                               |                                       |   |  | Section 7 Assessment of Potential Social Effects of the Application. If appropriate, mitigation strategies will be identified. In addition, concerns raised by First Nations (including effects to the social environment) will also be discussed in Part C of the Application.   |  |                        |
| 8.              | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | 2.2.3 On-site Components and Infrastructure | Version F: Pg xxii – Executive Summary: The Executive Summary should also include a description of the alternatives considered, and the reasons for rejecting particular alternatives.   | Agree with comment. The executive summary will present a brief description of the alternatives considered and the rationale for the selection of the preferred ones.  | Version G: Edited first bullet of Executive Summary to make it clear that assessment of alternatives will be included as follows:  • "A brief description of the proposed Project, including the assessment of | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |   | Follow-up comment:  Version G: Pg xxii – Executive Summary:  The dAIR requires reference to a description of the assessment of alternatives in the Executive Summary but does not explicitly require this description to include reasons for rejecting certain alternatives.   | Follow-up response: the executive summary will include a summary of the assessment of alternatives including reasons for rejecting certain alternatives;  | Version H: The text of the Executive Summary was modified as follows:   • A summary of the assessment of alternatives including reasons for rejecting certain alternatives;                                    |                        |
| 9.              | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | 2.2.3 On-site Components and Infrastructure | Pg 6 - Project components and facilities: Include the access route from Engen as part of the Project.  | The Kluskus-Ootsa Forest Service Road (FSR) is an existing road that will be used as the transportation route to access the proposed mine site. This FSR starts on Highway 16 at Engen and will connect to the proposed mine access road at km 124.5 (see Figure 2.2-2).  | edited to include a description of the Kluskus   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |   | Follow-up comment:  Version G: Pgs 6-15 - Project components and facilities:  Pg. 7, Offsite infrastructure, references the transmission line and mine access road. It does not mention the mine access corridor along the Kluskus FSR and is not explicit on the starting point of the transmission line.  It is not clear that the use of the Kluskus FSR is being scoped into the project.                    | Follow-up response: Sections 2.3 Provincial Scope of the Proposed Project defines the scope of the assessment including potential upgrades to Kluskus and Ootsa FSRs, transportation of workers, materials, and equipment along the FSR to the mine site and on site roads, site access roads and the new road to connect the mine site with the existing FSRs. Section 2.2.4 Off-Site Infrastructure states that a 133-km transmission line connecting the mine site with an existing substation south of the community of Endako will be required to provide power to the proposed Project. Figure 2.2-2 presents the location of the substation where the transmission line will connect.  | Version H: No action required.   |                        |
|                 |                          |                               |                                       |   |  | Follow-up response: information about the Kluskus FSR was moved from Section 2.2.3 to Section 2.2.4 because this project component is off-site infrastructure.  |  |                        |
| 10.             | F<br>(September<br>2013) | 0040                          | Jackie Thomas<br>Saik'uz First Nation | 2.2.3 On-site Components and Infrastructure | Pg 8 - Waste Rock Dumps, low grade stockpile, topsoil stockpile- water management features: Requires clarification that water management features are inclusive of groundwater and seepage controls, as well as any chemical run off from the waste rock piles and other stockpiles.   | Agree with comment. The water management features for the waste rock dumps and low grade stockpile will include run-off and groundwater/seepage management.  Regarding the arsenic content in the waste rock, Section 5.1.3.1 Geology and Geochemistry describes the scope of the characterization of mine waste.   | include groundwater and seepage controls.  | Satisfied              |
|                 |                          | E                             | Jackie Thomas<br>Saik'uz First Nation |   | Include clarification of arsenic content in waste rock.  Follow-up comment:  Version G: Pg 9 - Waste Rock Dumps, low grade stockpile, topsoil stockpile  - water management features  There is no reference to arsenic content in the waste rock. It is expected that the modeling of water quality impacts will use data on arsenic content in waste rock to estimate the arsenic concentrations (and therefore | Content of metals in the waste rock (including arsenic) is included in the geochemical testing.  Follow-up response: Section 5.1.3.1 Geology and Geochemistry describes how the results of the geochemical testing of the waste rock will be used for the predictions of chemical loadings from the proposed mine waste facilities. Section 5.3.3.3 describes the scope of the assessment of potential effects of the proposed Project on the Surface Water Quality valued component. It is stated that the a quantitative modeling will be conducted to predict the effects and that the predicted results will be compared with CCME guidelines for the protection of aquatic life, BC MOE water quality maximum and 30-day quidelines and site-specific objectives proposed for the surface water quality. The |  |                        |



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|-----------------|--------------------------|-------------------------------|---|---|--|---|---|------------------------|
|                 |                          |                               |   |   | risk) associated with seepage from rock dumps.   | guidelines mentioned include arsenic and other parameters of potential concern.   |   |                        |
| 11.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation             | 2.2.3 On-site Components and Infrastructure | Pg 8 - Tailings storage facility - seepage management: The EA should include an evaluation of seepage control alternatives, including a liner system for the tailings impoundment. Clarify what materials will be used for the tailing facility liner (thickness of clay layer, geomembrane,etc.)  | seepage control and seepage management for the main project components  |   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation             |   | Follow-up comment:  Version G: Pg 10 - Tailings storage facility - seepage management  There is reference to a description of seepage control and seepage management but specific commitment to evaluate liner systems as part of seepage management. On a facility of this scale a synthetic liner is probably cost prohibitive and the installation logistics extremely difficult.  If desired, Saik'uz can carry out an independent review of the level of investigation in the TSF basin, the hydraulic conductivity of the basin floor predicted by the investigation, and any preparatory work of the basin proposed to achieve the desired conductivity as a part of the EA review process. | Follow-up response: Section 2.5 states that the alternatives for mine waste management will be assessed consistently with Environment Canada's Guidelines for the Assessment of Alternatives for Mine Waste Management. These guidelines require the proponents of mining projects to consider environmental, social, technical and financial considerations in their assessment of alternatives. The result of this assessment will be properly documented in the Application/EIS  New Gold appreciates the offer from Saik'uz to perform an independent review and will work closely together to review the analysis during the Application/EIS review stage. |   |                        |
| 12.             | F<br>(September<br>2013) | November 7, 2013<br>Letter    | Jackie Thomas Saik'uz First Nation  Jackie Thomas | Section 2.2.4 Off-site Infrastructure       | Pg 13, Pg 19 - Offsite infrastructure — transmission line: The assessment of alternatives for transmission line locations must clearly indicate the issues raised by First Nations, including Saik'uz, and how these issues are addressed in the adoption of a particular alternative.   | Agree with comment.  Section 2.5 of the Application will present an assessment of alternatives for the transmission line and discusses the different alignments as well as the preferred alignment.  Section 2.2 of the Application will describe the selected transmission line alignment and how adjustments were made based on consultation input from tenure holders and Aboriginal Groups.  Please note: The alternatives considered in the selection of the transmission line alignment were presented to Saik'uz representatives during a meeting on November 14, 2013.  | edited to include a discussion about how consultation will be used to optimize the selected transmission line alignment.  | Satisfied              |
|                 |                          | Email                         | Saik'uz First Nation                              |   | Follow-up comment:  Version G: Pg 15 - Offsite infrastructure – transmission line  This does not seem to be considered. Section 2.5 (Alternative means of undertaking the project) is clear that the assessment of alternatives is completed using technical and economic criteria.  | project components that have been subject to assessment of alternatives and Section 2.5 states that alternatives will be assessed using a comparative approach that considers environmental performance objectives. This description will also include details on how Aboriginal Groups were considered in the assessment. The  | Version H: the first paragraph of Section 2.5 of the dAIR was updated as follows:  The alternative means of undertaking the Project corresponds to specific Project components, whose location or type were subject to an assessment of alternatives using technical, economic, environmental and social criteria, including how Aboriginal Groups were considered. |                        |



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| 13.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 2.2.6 Reclamation and Closure | Pg 14 - Reclamation and Closure Plan: Reclamation goals must be developed in consultation with the Aboriginal Groups, who will remain in the Project area long after the mine closes.  All reclamation plans must include progressive reclamation and adaptive management throughout the life of the Project.   | The Aboriginal Groups Consultation Plan proposes a consultation approach with Aboriginal Groups and includes consultation on effects assessment and mitigation design. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe project design including reclamation and closure. New Gold's consultation during the review phase will continue to aim to address or resolve potential concerns. This process will include the review of the proposed Reclamation and Closure Plan.   |  | Satisfied              |
|                 |                          |                               |                                       |                                       | Closure plans must include plans for temporary closure, including specified timelines, objectives and participation of Aboriginal Groups in temporary closure activities, including, but not limited to, ongoing monitoring.  Members from the Aboriginal Groups should be employed in the implementation of the reclamation and closure plans.   | However, New Gold initiated discussion of reclamation and closure with Saik'uz representatives during a meeting on November 14, 2013 The results of pre-Application consultation will be incorporated into Section 17.1 of the Application, as outlined in Section 17.1 of the dAIR.  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and | Version G: Section 2.2.6 Reclamation and Closure will be changed to Section 2.6 Reclamation and Closure. Section 2.6 was edited to clearly state that progressive reclamation is part of the Reclamation and |                        |
|                 |                          |                               |                                       |                                       | Describe how the reclamation and closure plan will address the decommissioning of the transmission line and reclamation of the transmission corridor, as well as the mine access road and corridor that will require expansion and/or upgrading in order to support mine construction and operations.  Describe what plans the tailings reclamation program will be outlined in, as well as the proposed method for reclaiming the tailings (capped or other).  | reclamation measures to the main text of the Application without an additional appendix.  The Reclamation and Closure Plan includes progressive reclamation. Section 12.2 of the dAIR presents a Closure Management Plan.  Section 2.6 states the Plan will also describe management strategies for temporary closure including a description of the conditions under which temporary closure will occur. Timelines are not described for temporary closures because those are unforeseeable events and the duration is not predictable.   | Section 2.6 was edited to clearly state that off-  |                        |
|                 |                          |                               |                                       |                                       |   | Closure Plan includes the transmission corridor as well as the mine access road. The Plan also describes the plan for reclaiming the tailings.  New Gold will work with communities and the provincial and federal governments to discuss training of Aboriginal Groups to prepare for mine related employment. These plans will be documented within the Application.   | site infrastructure will be included in the Reclamation and Closure Plan. Section 12.2 of the dAIR presents a Closure Management Plan.   |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                                       | Follow-up comment:  Version G: Pg 21 - Reclamation and Closure Plan:  Consultation with aboriginal groups regarding reclamation goals does not appear to be mentioned as a component of the reclamation planning process.  Reclamation during temporary closure is referenced although it this does not make specific reference to aboriginal participation or specific timelines, objectives etc. Issues of specific timelines and objectives during temporary closure would be difficult to complete at this time since it would require knowing the circumstances at the site at the time of temporary closure (i.e what time of year, what stage of the mine life, how long the closure will go on for etc.). However specific reference to Aboriginal participation in temporary closure planning can be reasonably included at this time. | disturbance ecosystem units, which include plant species with value for wildlife and traditional use, and for species at risk naturally offering in the mine site. Measures for progressive reclamation and temporary shutdowns will be presented in the Application. New Gold will continue discussing the reclamation and closure plan with First Nations, and consider reclamation goals identified for closure, post-closure and temporary closure phases of the proposed project. This discussion was initiated in 2013 and will continue during the post Application [FIS  | Version H: No action required.   |                        |
|                 |                          |                               |                                       |                                       | There is no specific reference to employment opportunities during reclamation. Commitments in this regard can be attained through a different avenue, MOU negotiation.  |  |  |                        |



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| 14.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 2.2.7 Project Schedule           | Pg 15 - Project Schedule: The Project Schedule should include a more detailed construction schedule for the Project indicating consideration for seasonal factors that may limit certain types of construction activities.   | Agree with comment. Section 2.2.6 will be revised. The Application (Section 2.2.6) will present a detailed Project schedule.   | Version G: Section 2.2.6 will describe how seasonal factors will be considered in the Project schedule.  | Satisfied              |
| 15.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | the Project                              | Pg 16, 17 – BC and Federal Scope of Project: Requires clarification on the scope of the railway line/spur to be assessed as part of the Project.   | The railway/line spur is the connection between the proposed transload facility and the main railway network.  New Gold has advised EAO that a transload facility as described in the Project Description is no longer being considered as a component of the Project. The transload facility and the railway/line spur have been removed from the dAIR version G.   | Version G: Section 2.3 and 2.4 was edited to clarify the railway/ line spur is no longer considered as a component of the Project.   | Satisfied              |
| 16.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Undertaking the Proposed Project         | Pg 19 - Alternative means to undertake project : Alternative means of undertaking the Project should be evaluated through meaningful consultation with the Aboriginal Groups.  | The Aboriginal Groups Consultation Plan proposes a consultation approach with Aboriginal Groups and includes consultation on effects assessment and mitigation design. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to discuss the options being evaluated with respect to project design.  | Version G: No action required.   | Satisfied              |
|                 |                          |                               |                                       |  |  | For example, alternatives for mine waste management were presented during the Working Group meeting and feedback was requested. Alternatives for mine water management were also discussed in detail during a meeting with Saik'uz on November 14, 2013. A helicopter over flight was conducted on October 16, 2013 with Saik'uz First Nation to discuss proposed transmission line alignment.   |  |                        |
|                 |                          |                               |                                       |  |  | Aboriginal input continues to be considered into project planning. For example, consultation with Aboriginal Groups informed the selection of the transmission line route and the mine access route.   |  |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pg 19 - Alternative means to undertake the project:  This does not seem to be considered. Section 2.5 (Alternative means of undertaking the project) is clear that the assessment of alternatives is completed using technical and economic criteria.   | Follow-up response: In Section 2.5 of the Application a description will be provided on how different criteria have been used for the assessment of alternatives. This description will also include details, how Aboriginal groups were considered in the assessment. The Application will be reviewed by the Working Group, which includes Aboriginal groups.  | Version H: the first paragraph of Section 2.5 of the dAIR was updated as follows:  The alternative means of undertaking the Project corresponds to specific Project components, whose location or type were subject to an assessment of alternatives using technical, economic, environmental and social criteria, including how Aborigina Groups were considered. |                        |
| 17.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 2.6 Proposed Project<br>Land Use | Pg 20 – Proposed project land use: This section should identify and describe Aboriginal Title claimed by the Aboriginal Groups and land used for the exercise of Aboriginal right as defined by, and in consultation with, the Aboriginal Groups.  | Section 2.6 Proposed Project Land Use will now be Section 2.7 in the dAIR. Section 2.7 will identify the First Nations with Traditional Territories that overlap with the Project footprint and its components as well as the Indian Reserves that are located near the Project. Part C of the Application will present maps of understood First Nation Traditional Territories (where available) and indicate how the Project components and facilities overlap with each Traditional Territory. Section 14 of Part C will present baseline information on TLU/TK for each First Nation, where available. | Version G: Section 2.6 Proposed Project Land Use will now be Section 2.7 in the dAIR. This section was edited and an additional bullet was added to describe the Project's overlap with First Nation Traditional Territories.  |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pq 21 - Proposed project land use  There is no commitment to describe Aboriginal Title claims as a component of Land Use description (unless the commitment to identify First Nation Traditional Territories affected by the project is sufficient to address this concern). This may be addressed as a component of Part C, clarification is required. | Follow-up response: A clarification on how Aboriginal Title is addressed in the effects assessment will be provided in Part C of the Application.  | Version H: No action required.   |                        |



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| Comment<br>ID # | Draft<br>AIR<br>Version  | Date of<br>Comment            | Author of Comment                     | dAIR Version<br>Reference                | Comment  | Proponent Response  | Action dAIR  | EAO Comment/<br>Status |
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| 18.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 2.7 Proposed Project<br>Benefits | Pg 21 – Project benefits: Include a description of local employment training plans and programs that New Gold will implement to support the operations.  | New Gold will work with communities and the provincial and federal governments to discuss training of Aboriginal Groups to prepare for mine related employment. Additional details will be presented in the Application in Section 12.2 Environmental Management Plans, which will address recruitment, training and employment management.   | Version G: No action required.   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment: Version G: Pg 22-23 – Project benefits: There is commitment to "indicate any relevant employment policies/practices" as a part of the EA. This could include local training and employment initiatives. Clarification is required.  | Follow-up response: Clarification on how local training and employment initiatives are integrated in any relevant employment policies and practices will be provided in the Application in Section 2.8 Proposed Project benefits.   | Version H: Text in Section 2.8 of the dAIR was revised as follows:  Indicate any relevant employment policies/practices including any proposed training and employment initiatives |                        |
| 19.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 2.7 Proposed Project<br>Benefits | Pg 21 – Project benefits:  New Gold should consult with the Aboriginal Groups on the availability of Aboriginal personnel, new local contracting opportunities for aboriginal contractors, and proposed contributions to community development that includes social and economic development.  | The Aboriginal Groups Consultation Plan proposes a consultation approach with Aboriginal Groups in the pre-Application and Application review phases. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe employment and contracting opportunities. New Gold currently supports a variety of community development initiatives in the region which includes Saik'uz First Nation initiatives.  The dAIR states in Section 16 (Other Aboriginal Interests) that the Application will identify social and economic interests (including employment) and will describe how these interests have been addressed, Section 14 in the dAIR describes that available information on current employment characteristics, skills and training, and businesses for onreserve communities will be considered in the Application. This will include data that was gathered through in-person interviews with Saik'uz First Nation. | Version G: No action required.   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment: Version G: Pg 22-23 – Project benefits:  There is no specific reference to aboriginal preference in employment and contracting. Commitment in this regard can be attained through a different avenue. MOU negotiation.  | Follow-up response: New Gold agrees with this comment.  | Version H: No action required.   |                        |
| 20.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | General                                  | Pg 33 – Land use: Throughout the d AIR there are references to assessment of non-traditional and resource use. Is the traditional land use to be addressed separately in Part C - Aboriginal Groups Information Requirements? To the extent that the information is not confidential, it is recommended that traditional land use be incorporated to the main body of the report as a component of impacts to land use overall rather than maintained in a separate section. | Agree with comment. This concern was taken into consideration and a new VC was added to the Social pillar in Section 7.2.7. The new VC is titled "Current Land and Resource Use for Traditional Purposes" and will consider the potential effects of the proposed Project and activities on current land and resource use for traditional purposes within the defined study areas in relation to:  Changes in hunting and trapping activities; Changes in fishing activities; Changes in Plant gathering activities; Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation).   | Version G: Section 7 was revised and includes<br>a new VC called "Current Land and Resource<br>Use for Traditional Purposes".  | Satisfied              |



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| 21.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 4.2 Identification and<br>Selection of Value Components<br>Section 8.2 Heritage Effects<br>Assessment | Pg 34, Pgs 141 – 146 – Heritage effects: The assessment of heritage resources and potential effects seems limited to archaeological/historic/paleontological resources and does not address certain resources that Aboriginal Groups consider important from a heritage or cultural perspective. To the extent that the information is not confidential, it is recommended that the heritage effects assessment include Aboriginal Heritage resources   | A new VC on "Current Land and Resource Use for Traditional Purposes" will use "Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation)" as an indicator for the assessment. In addition, information made available to New Gold related to resources valued from a Heritage perspective will also be included in Section 8.2 of the Application: Heritage Effects Assessment.  Potential effects on Aboriginal Rights will be described in Part C. Section 16 will describe Aboriginal interests with respect to heritage resources and present recommended mitigation strategies to manage potential negative effects to heritage resources. | Version G: The dAIR will be updated to present<br>the new VC on "Current Land and Resource<br>Use for Traditional Purposes" in Section 7.2.7.   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |   | Follow-up comment: Version G: Pg 155-161 – Heritage effects: Heritage effects assessment does not appear to include heritage sites defined by First Nations.  | Follow-up response: Heritage sites are defined by the Heritage Act. Information provided by First Nations on certain resources that Aboriginal Groups consider important from a heritage or cultural perspective will be used in the effects assessment as available. Sections 8.2.2.2, 8.2.3.2 and 8.2.4.2 of the dAIR present the Valued Component baseline for the heritage effects assessment and state that a description of traditional ecological and community knowledge will be provided in the Application where available.   | Version H: No action required.  |                        |
| 22.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 4.3.1.1 Spatial<br>Boundaries   | Pg 35-36 - Noise and air quality spatial boundaries: The selection of the spatial boundary (currently proposed at 3 km in Table 4.3-1) should be based on an assessment of noise effects along the full length of the transmission and mine access road corridors. Further, the air quality and noise assessment should include the impacts during construction, operation and decommissioning, including seasonal maintenance.   | entire off-site infrastructure.  The higher magnitude noise and air quality effects for the transmission line are expected to occur during the construction phase only. The scope of the assessment involves the mine site and effects along the off-site   | Version G: A note has been added to Table 4.3-1 presenting Spatial Boundaries to include the following statement:  If the results of the assessments indicate the spatial boundaries need to be adjusted to ensure the full extent of the effects are captured, the boundary will be adjusted for the Application, with supporting justification/rationale. | Satisfied              |
| 23.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 4.3.1.1 Spatial<br>Boundaries   | Pg 36 - Surface Water, groundwater, fish and fish habitat spatial boundaries: Along the Kluskus FSR, a study area set by 100 m from the centerline will likely be insufficient given the width of the existing road bed and right-of-way.   | the Kluskus FSR is proposed to be re-aligned (approximately 2 km) and that does not involve new crossings of streams. The defined study area is based on where aquatic environment effects are anticipated and considers the mines site and the entire off-site infrastructure. If the results of the   | Version G: Section 4.3.1.1 Spatial Boundaries was updated to include the following statement: If the results of the assessments indicate the spatial boundaries need to be adjusted to ensure the full extents of the effects are captured, the boundary will be adjusted for the Application, with supporting justification/rationale.                     | Satisfied              |
| 24.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 4.3.1.1 Spatial<br>Boundaries   | Pg 36 - Surface Water, groundwater, fish and fish habitat spatial boundaries: Surface and groundwater flows from Chedukuz Creek should also be included in the spatial boundaries thereof.  | The Aquatic Local Study Area does consider a portion of lower Chedakuz Creek downstream of Tatelkuz Lake and both the upper and lower extent of Chedakuz Creek are included in the Aquatics Regional Study Area (Figure 4.3-3)  | Version G: No action required.  | Satisfied              |
| 25.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 4.3.5.5 Determining the<br>Need for Cumulative Effects<br>Assessment                                  | Pg 51, Cumulative effects - candidate projects: The Nulki Hills Wind Project is the sole major project currently identified as a candidate for inclusion in the cumulative effects assessment. The Project's offsite infrastructure of the transmission corridor and mine access corridor are linear developments taking place in the Saik'uz Traditional Territory. Other linear developments in the Saik'uz Traditional Territory include the Coastal Gaslink (Transcanada) and PNG Looping pipeline projects as well | 1 - 7 7   | Version G: Section 4.3.5.5 was updated to include additional projects in the Regional Study Area.   | Satisfied              |



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|                 |                          |                               |                                       |                           | as road developments related to ongoing forestry activity. The additive impact of the Blackwater Project corridors to these other proposed/ongoing linear developments is an important consideration for the Saik'uz. As such, the cumulative effects assessment include these two pipeline projects as well as any forecasted forestry development being considered within Saik'uz Traditional Territory, and any future developments that could interact with the VC's identified for the Project. |  |   |                        |
|                 |                          |                               |                                       |                           | It is also suggested that impacts on current and traditional land use be considered within the cumulative effects assessment.  |  | Version G: Section 7.2.7 in the dAIR will present the new VC on "Current Land and Resource Use for Traditional Purposes".   |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  Version G: Pg 57 - Cumulative effects – candidate projects:  New Gold has noted however that cutting plans or road building plans are not easily obtained from local forestry operations.  | Follow-up response: New Gold will make its best efforts to obtain the forestry and cutting plans from forestry operations.   | Version H: No action required.  |                        |
| 26.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.2 – Section 5.4 | Pgs 71-92 - Effects assessment: As currently written, most attributes will be assessed for effects during construction, operations, and closure phases of the Project. For greater clarity, the scope should also explicitly include post-closure effects.   | The scope of the assessment includes the post-closure phases of the Project which is explained in the scope of the assessment (Section 4).   | Version G: No action required.  | Satisfied              |
| 27.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.2 – Section 5.4 | Pgs 71-92 - Effects assessment: In addition, the assessment of effects should include the relative increases in traffic along the entire mine access corridor (Kluskus FSR), and how the increased volume will impact current and traditional land use.  |  | Version G: Section 7.2.7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes". | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  Version G: Pgs 54, 59-129 – Effects assessment:  It is not explicitly identified that traffic increases along Kluskus FSR resulting from mine operations will be considered as part of the assessment. Does project "operations" include mine traffic on Kluskus FSR?  | Follow-up response: Yes, the Operations Phase includes the activities related to the operation of the mine site, including transportation of workforce and materials along the Kluskus FSR.  | Version H: No action required.  |                        |
| 28.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.2 – Section 5.4 | Pgs 71-92 - Effects assessment:  New Gold should consult with the Aboriginal Groups on the determination of the significance of residual adverse effects. Currently, the definition of "significant" effects should be sufficiently broad to capture high magnitude effects, with medium to low probability.   | Section 4 of the dAIR provides a clear explanation about the assessment methods. Section 4 of the dAIR also describes the methods proposed for identification of valued components, selection of valued components, and identification of potential effects and assessment of residual effects. The identification of potential effects is done by identifying all project activities and components and interactions with selected valued components. The assessment of effects will consider all valid interactions and will be focused on key interactions where higher magnitude effects are anticipated. If there | Version G: No action required.  | Satisfied              |



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|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                                     | Follow-up comment:  Version G: Pgs 54, 59-129 – Effects assessment:  The effects assessment method will rely on standard methods as required by the EA process. Consultation with Aboriginal Groups regarding significance of effects is not a component of the required methodology.   | description of the methods applied in Section 4, which have been developed consistently with the Provincial and Federal guidelines.  Aboriginal Groups will have the apportunity to review this costion  | Version H: No action required.   |
| 29.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.3.3 Surface Water Quality | Pg 79 - Water quality effects assessment: The Saik'uz Traditional Territory is located downstream of the proposed Project. As downstream users and inhabitants, Saik'uz may be impacted by changes in water quality and quantity caused by the Project either alone, or in combination with other projects. The spatial extent of the water quality and quantity impact modeling should therefore include the potential changes in water quality and quantity to surface and groundwater entering or flowing within Saik'uz Traditional Territory.  | in the Aquatics regional study area (Figure 4.3-3). Potential effects will be assessed on transmission line and Kluskus FSR stream crossings. The water quality effects assessment was discussed with Saik'uz on November 14, 2013. However, if the results of the assessment indicate spatial boundaries should be adjusted to more fully capture the effects, the boundary will be   | Version G: Section 4.3.1.1 Spatial Boundaries was updated to include the following statement:  If the results of the assessments indicate the spatial boundaries need to be adjusted to ensure the full extents of the effects are captured, the boundary will be adjusted for the Application, with supporting justification/rationale. |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                                     | Follow-up comment: Version G: Pg64- Water quality effects assessment: Figure 5.1-1 shows the limits of the extent of watershed modeling for quality and quantity. The limits appear to be at Chedakuz Creek (Davidson Creek & Turtle Creek confluences). Provided modeling efforts indicate little or no impact at the extent of the model limits, water quality and quantity in Saik'uz territory is assured. If not, New Gold may have to extend the spatial extent of their assessment to include locations downstream on Chedakuz Creek in Saik'uz Territory.   | Follow-up response: The proposed Local Study Areas describe the geographic extent where potential effects of the project are anticipated for any identified valued component. As states in Section 4, the spatial boundaries will be based on applicable guidance documents, reasonable expectations for the specific VC and professional judgment. During the process of development of the AIR, some of the study areas have already been modified as suggested by members of the Working group including First Nations.  Furthermore, as noted in Table 4.3-1 4. if the results of the assessments indicate the spatial boundaries need to be adjusted to ensure the full extents of the effects are captured, the boundary will be adjusted for the Application, with supporting justification/rationale.  | Version H: No action required.   |
| 30.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.3.6 Groundwater Quality   | Pg 85 – Groundwater and pit lake: The Project will result in the development of pit lake which will exist into perpetuity. Since PAG material will be a component of the Project, and may be disposed within the pit lake, it is reasonably foreseeable that the pit lake water quality may be a long-term management issue. The long-term management of the mine water during the post closure phase therefore needs to be carefully modeled and sound plans developed, in consultation with Saik'uz, to ensure environmental protection downstream of the Project both during mine life and post-closure. | The open pit will be flooded during the closure phase of the Project and when the pit is fully flooded it will discharge water into the TSF. Then the TSF will discharge into Davidson Creek. The water quality assessment will consider effects during closure and post closure as a result of the mine site discharging water back to Davidson Creek. To mitigate potential effects of seepage, a contingency treatment wetland may be constructed immediately downstream of the location of the TSF on Davidson Creek.  The Aboriginal Groups Consultation Plan (provided to Saik'uz First Nation) proposes a consultation approach and includes consultation on effects assessment and mitigation design. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe the Project, including post-closure conditions.  For example, New Gold initiated detailed discussion of the plans for mine waste and water, including discussion about the open pit post-closure, with | Version G: No action required.  Satisfied  |



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|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pg 89 - Groundwater and pit lake:  A long term management plan for the pit lake is not explicitly discussed although it is possible to interpret certain requirements in the assessment of water quality effects to require such a plan. There is no discussion of consultation with Saik'uz regarding water management plans.   | Saik'uz representatives during a meeting on November 14, 2013.  Follow-up response: The Application will present the anticipated water quality for the pit lake during the closure and post-closure phases of the proposed Project in Section 5.3.3 Surface Water Quality VC. The water quality predictions will be supported by the geochemical characterization presented in Section 5.1.3.1 Geology and Geochemistry. The measures proposed for the long term management of the water from the mine site, will be presented in Section 2.6 Reclamation and Closure. These sections of the Application will be available for review by Aboriginal Groups during the Application/EIS review phase.  | Version H: No action required.  |                        |
| 31.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.4.5 Ecosystem Composition                | Pg 98 – Ecosystem effects:  The linear corridors supporting the Project (transmission corridor and mine access corridor), coupled with corridors associated with other projects, will likely result in enhanced connectivity between different ecosystem units through ecosystem fragmentation and the development of new wildlife travel corridors between these units. Thus, the EA should include an evaluation of the increased connectivity between ecosystem units along the linear corridors and other corridors associated with other projects. | The EA does not directly deal with ecosystem fragmentation, however, moose and caribou are VCs and within which predator –prey relationships are being discussed. New, open corridors that may be used by wide-ranging species will be addressed in the assessment.  Section 5.4.5.2 Ecosystem Composition in the dAIR explains that the change in ecosystem composition is assessed and compared to the proposed Project development to determine the change in hectares pre– and post–reclamation for each ecosystem unit within the LSA and RSA.  The wildlife effects assessment (Section 5.4.10.2 – Moose) describes that the effects assessment will consider:  • Barriers to wildlife, including the roads developed as part of the mine and their potential effects on wildlife movements;  • Disturbance of daily or seasonal wildlife movements (e.g., migration and home ranges), which would include potential hazards and conflicts associated with mine access and travel corridors of moose  • Potential implications to predator - prey dynamics from changes in habitat suitability (e.g., potential changes in wolf numbers or distribution due to habitat and prey abundance changes);  The cumulative effects assessment for Ecosystem Composition and the wildlife VCs will consider the effects of past, present and reasonable foreseeable future projects and activities, including linear developments. | Version G: No action required   | Satisfied              |
|                 |                          | - "                           | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pg 108 – Ecosystem effects:  It does not appear that the issue of connectivity of ecosystem units will be addressed by the methodology proposed for assessment. Clarification is required.   | Follow-up response:  The issue of creation of new wildlife travel corridors is recognized as a potential environmental effects and will be considered in the assessment of effects for large mammals, Moose (section 5.4.10), Caribou (Section 5.4.11) and Grizzly Bear (Section 5.4.12). The scope of the assessment includes potential implications to predator-prey dynamics from changes in habitat suitability. The assessment will also discuss the potential effects due to increase access and indirect mortality of species through increase hunting opportunities, and direct and indirect wildlife mortality of species through increased hunting opportunities.  | Version H: No action required.  |                        |
| 32.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.4.6 Plant Species and Ecosystems at Risk | Pg 100 – Plant species assessment: The assessment of impacts on plant species currently focuses on rare and endangered plants. Food species of interest to Saik'uz, as identified through consultation with Saik'uz, should be also included in the list of plant species to be evaluated   | One on one interviews have been conducted with representatives from Lhoosk'uz Dene Nation (July 2013), Saik'uz First Nation (January 2013 and May 2013) and Skin Tyee representatives (January 2013). Information from these interviews and secondary research with Aboriginal Groups regarding plant harvesting (Section 14.2.4.1 of the Application), resulted in selection of berry-producing plants to represent traditional use plants (including medicinal plants) in the assessment.  | Version G: Section 7.2.7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes".  Section 5.4.5– Ecosystem Composition was updated to include a new indicator titled: "Traditional use plant habitat". | Satisfied              |



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|                 |                         |                               |                                       |                           | in the baseline conditions and effects assessment.  | Traditional use plant habitat information will be derived from baseline plot data that includes plant species presence and abundance. Plant species that are berry-producing and occur within the project area will be selected and correlated to site series. Using the ecosystem map, potential berry-producing areas will be identified. Primary traditional land use information will inform this assessment, where available.   |                                |                        |
|                 |                         |                               |                                       |                           |   | Section 5.4.5 Ecosystem Composition will now assess effects to traditional use plant habitat while Section 15 (Aboriginal Rights) will present an assessment of effects on the Aboriginal Rights related to traditional use plant harvesting. A total of 19 berry-producing species were chosen to represent traditional use and were confirmed to occur in the Project area by the baseline field program. All are upland species and the leaves, stems, and roots are used for food, medicine, or tea (Young and Hawley, 2010; Turner, 1997).  A new VC titled "Current Land and Resource Use for Traditional Purposes" will be added to the dAIR in Section 7.2.7. This new VC will consider the potential effects of the proposed Project and activities on current land and |                                |                        |
|                 |                         |                               |                                       |                           |   | resource use for traditional purposes within the defined study areas in relation to:   |                                |                        |
|                 |                         |                               |                                       |                           |   | Changes in hunting and trapping activities;  Observed in fishing and tribing activities.   |                                |                        |
|                 |                         |                               |                                       |                           |   | <ul><li>Changes in fishing activities;</li><li>Changes in Plant gathering activities;</li></ul>  |                                |                        |
|                 |                         |                               |                                       |                           |   | Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation).   |                                |                        |
|                 |                         | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment: Version G: Pg 109 – Plant species assessment: There is no mention of assessment methodology including Saik'uz food plant species.  | Follow-up response: Section 5.4.6 Plant Species and Ecosystems at Risk will include a description of traditional ecological and community knowledge, where available. Information collected during socioeconomic interviews with members of First Nations will be included and considered for the assessment of potential effects. Section 5.4.5 Ecosystem Composition will include an assessment on Traditional Use Plant Habitat, which is one of the proposed indicators under this valued component.   | Version H: No action required. |                        |
|                 | -                       | Navanahan 7                   | Jackie Thomas                         | Costing 5 4 7 Amphibians  | De 404 Amelikiana aasaanan  | The Aberininal Course Consultation Plan (and tided to Califor First Nation)  | Manian C. Na nation required   | Casiatia               |
| 33.             | (September 2013)        | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.4.7 Amphibians  | Pg 101 – Amphibians assessment: The assessment of impacts currently focuses on the Western Toad. New Gold should consult with Saik'uz to determine whether there are other amphibians that should also be considered as representative species or indicators. | proposes a consultation approach with Aboriginal Groups. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe environmental studies underway. In April 2013, the Working Group (including Saik'uz) was provided with copies of the dAIR which outlines the indicator species selected for the amphibians assessment. Comments from Saik'uz on this version of the dAIR were received and addressed.   | Version G: No action required. | Satisfied              |
|                 |                         |                               |                                       |                           |   | A companion document was also provided in April 2013, which presents the rationale for VC Candidates. An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment.  The Western Toad was selected as a representative species and indicator   |                                |                        |
|                 |                         |                               |                                       |                           |   | for the Amphibians VC, because its broad use of wetlands and riparian areas conservatively represents aquatic and terrestrial amphibian habitat and it is a  |                                |                        |



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|                 |                         |                               |                                       |                           |  | SARA listed species. Although the model uses Western Toad because it is a SARA listed species, the model is robust enough to cover the habitat and life requisites of other amphibians. Also, the wetlands and fisheries assessment programs further capture amphibian habitat. The Amphibians assessment is a conservative (meaning that cautious approaches are taken to avoid underestimating the magnitude of effects) as it includes terrestrial and aquatic habitats that are potentially impacted by the project infrastructure.   |                                |                        |
|                 |                         | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  Version G: Pg 111 – Amphibians assessment:  There is no mention of Saik'uz input to the species selected for assessment.   | Follow-up response: The Application will describe traditional ecological and community knowledge, where available for each of the selected Valued Components. This information will be prepared using public information as well as information collected through consultation with Aboriginal Groups and socio-economic surveys. The selection of Valued Components has also considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C and G of the dAIR in April 2013 and February, 2014 respectively.   | Version H: No action required. |                        |
| 34.             | F (September 2013)      | November 7,<br>2013<br>Letter | Jackie Thomas Saik'uz First Nation    | Section 5.4.8 Water Birds | Pg 103 - Water birds assessment: As above, assessment is limited to ring necked duck and yellow rail. New Gold should consult with Saik'uz to determine whether there are other birds that should be considered as indicators. | The Aboriginal Groups Consultation Plan (provided to Saik'uz First Nation) proposes a consultation approach with Aboriginal Groups. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe environmental studies underway. In April 2013, the Working Group (including Saik'uz) was provided with copies of the dAIR which outlines the indicator species selected for the Amphibians assessment. Comments from Saik'uz on this version of the dAIR were received and addressed.  A companion document was also provided in April 2013, which presents the rationale for VC Candidates. An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment.  The Ring necked duck was selected as an indicator for the Water Birds VC because it is a representative waterfowl species for open pond and nesting habitats needed by waterfowl and shorebirds. The Yellow rail was also selected as an indicator, because it is a SARA listed species specializing in shallow marshes and has potential to be present at the edge of its current range in the project area.  The water bird assessment uses a model that is robust enough to cover most waterfowl and shorebird habitats and life requisites. The assumptions of the ring necked duck model apply to most ducks and shorebirds and the Yellow rail is a SARA listed species that CWS required specific assessment for because of its specialist habitat requirements and its being at the edge of the potential distribution range in the Project area. Yellow rail is considered a conservative assessment (meaning that selection of Yellow rail is a cautious approach to avoid underestimating the magnitude of effects). |                                | Satisfied              |



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|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment: Version G: Pg 113 – Water Birds assessment: There is no mention of Saik'uz input to the species selected for assessment.  | Follow-up response: The Application will describe traditional ecological and community knowledge, where available for each of the selected Valued Components. This information will be prepared using public information as well as information collected through consultation with Aboriginal Groups and socio-economic surveys. The selection of Valued Components has also considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C and G of the dAIR in April 2013 and February, 2014 respectively.  | Version H: No action required. |                        |
| 35.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.4.9 Forest and Grassland Birds | Pg 105 - Forest and Grassland birds: As above, the assessment is limited to the olive sided flycatcher, Clark's nutcracker, and red tailed hawk.  New Gold should consult with Saik'uz to determine whether there are other birds that should be considered as indicators. | The Aboriginal Groups Consultation Plan (provided to Saik'uz First Nation) proposes a consultation approach with Aboriginal Groups. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including Saik'uz First Nation, to describe environmental studies underway. In April 2013, the Working Group (including Saik'uz) was provided with copies of the dAIR which outlines the indicator species selected for the Amphibians assessment. Comments from Saik'uz on this version of the dAIR were received and addressed.  A companion document was also provided in April 2013, which presents the rationale for VC Candidates. An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment.  The Olive-sided flycatcher was selected as an indicator for the Forests and Grasslands Birds VC because it is a SARA listed species that is representative of forest birds requiring old structure forest and adjacent openings.  The Clark's nutcracker was selected as an indicator for the Forests and Grasslands Birds VC because it is a habitat specialist associated with mature Whitebark pine, which is a listed rare ecosystem.  The Red-tailed hawk was selected as an indicator for the Forests and Grasslands Birds VC, because it is a wide ranging raptor species that represents old deciduous forests.  By using a variety of forest birds ranging from habitat specialists such as Clark's nutcracker which inhabits a listed ecosystem type (Whitebark pine) to Red-tailed hawks and the SARA listed Olive-sided flycatcher, the forest bird habitat suitability model and effects assessment are robust and selected to cover a variety of forest seral habitats, particularly older stands, which are less common in the regional study area. The mod |                                | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment: Version G: Pq 115 - Forest and Grassland birds: There is no mention of Saik'uz input to the species selected for assessment.  | Follow-up response: The Application will describe traditional ecological and community knowledge, where available for each of the selected Valued Components. This information will be prepared using public information as well as information collected through consultation with Aboriginal Groups and socio-economic surveys. The selection of Valued Components has also considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C   | Version H: No action required. |                        |



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|                 |                          |                               |                                       |   |   | and G of the dAIR in April 2013 and February, 2014 respectively.   |                                |                        |
| 36.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 5.4.10 to Section 5.4.13<br>Moose, Caribou, Grizzly Bear,<br>Furbearers | Pg 107 – 114 - Large mammals assessments: As above, assessment is limited to moose, caribou, grizzly bear, and martens. The spatial boundaries selected for these assessments should also evaluate impacts on migratory and wide ranging species.   | A companion document was provided in April 2013 to the Working Group, which presented the rationale for VC Candidates. An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment. The selection of Moose, Caribou, Grizzly bear as VCs and Marten as an indicator for Furbearers VC is based, in part, on consultation with Aboriginal Groups including interviews with Saik'uz First Nation where these species were identified as valued species to be considered in the assessment. Waterbirds and Forest and Grassland Birds, which include migratory species, are also being assessed as a VC. Wide ranging species to be assessed include grizzly bear, caribou, and moose. | Version G: No action required. | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |   | Follow-up comment: Version G: Pg 117-124 - Large mammals assessments : There is no mention of Saik'uz input to the species selected for assessment.   | Follow-up response: The Application will describe traditional ecological and community knowledge, where available for each of the selected Valued Components. This information will be prepared using public information as well as information collected through consultation with Aboriginal Groups and socio-economic surveys. The selection of Valued Components has also considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C and G of the dAIR in April 2013 and February, 2014 respectively.  | Version H: No action required. |                        |
| 37.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 6.2.3 Regional and<br>Local Employment and<br>Businesses                | Pg 123 - Regional and local employment:  The assessment of local and regional employment should consider the cumulative effects associated with other projects in the region, including wind power projects and pipelines (proposed and existing). Concurrently, the beneficial effects of training programs to be implemented by the proponent should be considered. | The Application (Section 6 - Economic Effects Assessment) will assess potential project effects on local and regional employment during construction and operations. This is one of the VCs used in the assessment. If there is a residual effect, then a cumulative effects assessment will be included.  The dAIR section 4.3.5.5. states that the following major projects are initially identified as possible candidates for inclusion in the assessment of cumulative effects:  Nulki Hills Wind Project (Project Description submitted November 2012; section 10, Order, issued 26 November 2012).  Coastal Gas Link Pipeline Pacifica Gas Looping Project.  New Gold will work with communities and the provincial and federal government to discuss training of Aboriginal Groups to prepare for mine   | Version G: No action required. | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |   | Follow-up comment:  Version G: Pg 133 – Regional and local employment:  There is no reference to effects to regional and local employment resulting from cumulative implementation of all projects considered in the assessment.  Clarification is required.  | related employment.  Employment is an identified interest of the Saik'uz First Nation and will be evaluated in Part C Section 16 (Aboriginal Interests) of the Application. Furthermore, Section 12.2 of the dAIR addresses environmental management plans that will address recruitment, training and employment management.  Follow-up response: Cumulative effects assessment will be conducted on Valued Components with adverse residual Project Effects other than negligible. The cumulative effects assessment methodology will be described in Section 4 of the Application and will be consistent with Provincial and Federal guidelines.  | Version H: No action required. |                        |



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| 38.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 7.1.1 Social Conditions       | Pg 126 - Social conditions: The use of local RCMP statistics should be included.   | RCMP services and capacity are included and assessed in Section 7 (assessment of social effects) of the Application. These are assessed as part of Protective services; other RCMP statistics (such as crime rates) are included as indicators of well-being conditions in the study area.  The baseline report (EA appendices) presents more detailed RCMP statistics  | Version G: Section 7.1.1 was updated to include RCMP data including interviews with key informants and crime related statistics as a data source for the social effects assessment | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                                       | Follow-up comment:  Version G: Pg 138 – Social conditions:  There is no specific reference to the use of local RCMP statistics in the assessment although it could be interpreted from some requirements that they will be used. Clarification is required.  | for the study area communities and Local Health Areas within the SERSA.  Follow-up response: Section 7.1.1 states that baseline data will be collected including interviews with key informants such as the Royal Canadian Mounted Police (RCMP).   | Version H: No action required.   |                        |
| 39.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 7.2.7 Visual Resources        | Pg 137 - Visual resources assessment: The modeling of visual impacts should include an evaluation of the transmission corridor. Viewpoints along the corridor that will be considered should be developed through consultation with Saik'uz on view-scapes of particular cultural importance.  | The visual resources assessment (study area is presented in Figure 4.3-11) presented in Section 7.2.8 includes an evaluation of the transmission line corridor. TK/TLU information is being considered by the Visual Resources team and is based on interviews conducted with First Nations, publically available studies and studies being conducted by Aboriginal Groups. The Aboriginal Groups Consultation Plan (provided to Saik'uz First Nation) proposes a consultation approach with Aboriginal Groups and includes consultation on effects assessment and mitigation design that will occur during the Pre-Application and Application Review phase.   | Version G: No action required.   | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                                       | Follow-up comment: Version G: Pg 141– Visual resources assessment: There is no reference to input from First Nations regarding potentially important viewscapes (although stakeholders such as land tenure holders are referenced).  | Follow-up response: The Application will describe traditional ecological and community knowledge, where available for each of the selected Valued Components. This information will be prepared using public information as well as information collected through consultation with Aboriginal Groups and socio-economic surveys. The selection of Valued Components has also considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C and G of the dAIR in April 2013 and February, 2014 respectively. | Version H: No action required.   |                        |
| 40.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 10 Accidents and Malfunctions | Pg 152 - Accidents or Malfunctions:  Extreme precipitation events, which are increasing in magnitude and frequency, should be included in this discussion. In addition, a procedure should be established, in consultation with the aboriginal groups, on appropriate notice, levels and methods of communications and emergency procedures (including the provision of potable water and evacuation if required).   | Section 10 (Accidents and Malfunctions) and Section 11 (Effects of the Environment on the Project) describe extreme precipitation events including design features of the project to cope with such events.  The Aboriginal Groups Consultation Plan (provided to Saik'uz First Nation) proposes a consultation approach with Aboriginal Groups and includes consultation on effects assessment and mitigation design that will occur during the Pre-Application and Application Review phase.  | Version G: No action required.   | Satisfied              |
|                 |                          | E 21                          | Jackie Thomas<br>Saik'uz First Nation |                                       | Follow-up comment:  Version G: Pg 168– Accidents of Malfunctions: There is no specific mention of potential risks posed by climate change in regards to potential for accidents and malfunctions although extreme event scenarios will likely be considered for water management planning and Section 11 (Effect of the Environment on the Project). Consultation with Aboriginal groups on notifications and response planning is not considered. This may be addressed at later stages of the project review process. Clarification is required. | Follow-up response: The potential effects of Climate Change on the Project will be discussed on Section 11 of the Application. Section 10 Accidents and Malfunctions will address extreme precipitation events that could create conditions for scenarios such as breach and failure of the tailings dam or sediment releases to water courses. These scenarios will be assessed in Section 10. The development of emergency response plans for the scenarios presented in Section 10 will involve the participation of potentially affected peoples, including Aboriginal Groups. This will be conducted as required by New Gold policies and applicable regulations during subsequent phases of the Project.  | Version H: No action required.   |                        |



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| 41.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 12.2 Environmental<br>Management Plans | Pgs 154-157 - Environmental Management Plans: Access to the Project is proposed for the Kluskus FSR from Highway 16 from Engen. When approaching the Project from the east, it is shorter to approach via route Kenney Dam Road from Vanderhoof which passes through Saik'uz Reserve #1 and the principle community of Stoney Creek.  | The proposed access route was designed to avoid passing through Stoney Creek reserve. Employees will be expected to adhere to the transportation route identified and assessed in the EA. Transportation and access management will be addressed by environmental management plans as outlined in Section 12.2 of the dAIR.  | Version G: No action needed.   | Satisfied              |
|                 |                          |                               |                                       |  | New Gold should develop a Traffic Management Plan for the Project with specific mention to the policies and procedures that it will implement to discourage its employees, contractors and suppliers from accessing the Project through the access route that runs through the community.   | The environmental management plans in Section 12.2 will address landscape, soils and vegetation management and restoration planning. Management plans will describe proposed methods for vegetation management.  |                                |                        |
|                 |                          |                               |                                       |  | The transmission line corridor will likely require a program of vegetation management throughout its service life. In developing a management plan, the following questions need to be addressed: Will the vegetation management plan include the application of herbicides? How will the contracts for vegetation management along the transmission line be handled? Is this a natural set-aside contract for Saik'uz?   | New Gold will work with communities such as Saik'uz First Nation to discuss preparation of Aboriginal for relevant contracting opportunities. New Gold continues to meet with Saik'uz First Nation to discuss matters related to the Project including contracting opportunities.  |                                |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pg 172-173- Environmental Management Plans: There is no specific reference to vegetation management planning along the transmission corridor although it is possible that this is contemplated to be part of other management plans discussed in the dAIR. Clarification is required.  | Follow-up response: Section 12 of the Application will present the environmental management plans, which will address topics such as vegetation management and restoration and invasive species management. The Application will present the mitigation that New Gold is committing to implement, which will be summarized in Section 20.  | Version H: No action required. |                        |
| 42.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 13 Compliance<br>Reporting             | Pg 158 – Compliance Monitoring: Saik'uz should be granted the opportunity to provide input to the proposed monitoring plans for the Project once they are drafted. Details on public reporting should be provided, and this reporting should ideally be conducted through a designated website for the Project, and provide information on inspections, non-compliances (including accidents or malfunctions) and company responses to non-compliances. New Gold should also implement a process for the public and Aboriginal groups to report observed non-compliances. | The Aboriginal Groups Consultation Plan proposes a consultation approach with Aboriginal Groups and includes consultation on the effects assessment and mitigation design (including monitoring plans) that is scheduled to occur during the Application Review phase. New Gold will continue to meet with Saik'uz First Nation to discuss matters of interest such as on-going monitoring and compliance reporting.  A number of monitoring plans will be presented in Section 12 of the Application. New Gold values input and comments from Saik'uz First Nation on these plans.  A procedure for the filing of grievances related to the project is in place and will evolve to meet evolving project needs. | Version G: No action required. | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment:  Version G: Pg 174 – Compliance Monitoring:  Input to the monitoring plans should be completed as a part of the EA review.  It will be interesting to see if New Gold makes a commitment to post monitoring results on a company website. A summary of non-compliance events may be considered as a part of annual sustainability reports.   | Follow-up response: Section 13 of the Application/EIS will present the proposed monitoring plans. Aboriginal Groups will have the opportunity to review the monitoring plans during the Application/EIS review stage. New Gold currently reports environmental performance as part of its annual sustainability reporting and commits to post environmental monitoring results in the Blackwater Gold project website.   | Version H: No action required. |                        |



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| 43.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 14 Aboriginal Groups<br>Background Information | Pg 160 - Aboriginal Group Background Info: In addition to traditional land use and traditional knowledge, this section should include a discussion on traditional economies of the Aboriginal Groups. (based on discussions with these groups)   |   | Version G: Section 7 was revised and includes<br>a new VC called "Current Land and Resource<br>Use for Traditional Purposes". | Satisfied              |
|                 |                          |                               |                                       |  | Impacts to traditional lands uses, knowledge and economies should be evaluated through outcomes that are clearly described in the dAIR.  | A new VC was added to Section 7.2.7. The new VC is titled "Current Land and Resource Use for Traditional Purposes". This VC will consider the potential effects of the proposed Project and activities on current land and resource use for traditional purposes within the defined study areas in relation to:   |   |                        |
|                 |                          |                               |                                       |  |  | <ul> <li>Changes in hunting and trapping activities;</li> <li>Changes in fishing activities;</li> <li>Changes in Plant gathering activities;</li> <li>Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation).</li> </ul>   |   |                        |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |  | Follow-up comment: Version G: Pg 176– Aboriginal Background Info: There is not a specific mention of discussion of traditional economies as a component of Aboriginal Groups Background Info.  | Follow-up response: Section 14 of the Application/EIS, Aboriginal Groups Background Information will include economic topics such as economic setting, traditional land use and traditional knowledge, employment and labour force and skills and training.   | Version H: No action required.  |                        |
| 44.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | Section 15 Aboriginal Rights                           | Pg 161 - Aboriginal Rights:  Aboriginal rights are derived from Aboriginal laws, governance, practices, customs and traditions. This section must therefore be developed through direct consultation with the Aboriginal groups who hold those rights, and from whose laws, governance, practices, customs and traditions these rights are derived.  | As per the Section 11 order issued by BC EAO in July 2013, New Gold will continue to consult First Nations about Aboriginal rights that may be affected by the Project. The Aboriginal Groups Consultation Plan (developed by New Gold) further describes intended consultation activities. Section 15 (Aboriginal Rights) will rely on a number of data sources including consultation conducted with each Aboriginal Group to describe Aboriginal rights.   | Version G: No action required.  | Satisfied              |
| 45.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | General  | Cultural capacity of New Gold and its suppliers/contractors- Given all the activity in the vicinity of the Project, it is foreseeable that there will be an influx of workers to the Traditional Territory to support the Project and other current and proposed projects. These will be non-locals with 0 background or sensitivity to the Saik'uz culture and history, and no knowledge of the community and its dynamics. This change can lead to conflict. To reduce the risk of conflict, it is recommended that New Gold establish a program with Saik'uz for cross-cultural education of workers and incorporate requirements to participate in such a program in its contractors/ procurements policies. The development and delivery of such cross-cultural training sessions is also an important economic opportunity for Saik'uz that will directly benefit both New Gold and the community. | Contractor and Procurement policies will be developed as the Project proceeds. Section 16 (Aboriginal Interests) will propose mitigation and enhancement strategies with respect to community well-being and economic development. It will aim to reduce disturbance on surrounding communities from a potential influx of non-local workers.  The Aboriginal Groups Consultation Plan proposes a consultation approach on mitigation design. New Gold recognizes the importance of input from Saik'uz First Nation on matters of interest related to the Project such as culturally sensitive mitigation (e.g. cross cultural awareness training for employees). | Version G: No action required.  | Satisfied              |



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|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment: There is no specific reference to cross-cultural capacity training being provided or required for employees and contractors.   | Follow-up response: New Gold commits to providing "Cultural Awareness Training" and this will be presented as mitigation under Section 7.2.5 Family and Community Well-being.  | Version H: No action required.                                 |                        |
| 46.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | General                   | Additional users of the new Transmission Line - The transmission line represents the provision of new industrial grade electrical power to the region, which may render other projects and industrial activity in the area viable due to the new access to power. This creates a potential for future cumulative effects that cannot currently be evaluated. Saik'uz seeks a commitment that additional industrial projects will not be granted access to that line without prior meaningful consultation with Saik'uz. | There are currently no plans for the transmission line to be used by other projects. The use of the transmission line by others will not be included in the cumulative effects assessment because it is not a reasonable, foreseeable project or activity.   | Version G: No action required.                                 | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  This issue will need to be discussed with New Gold and the BC Government outside the context of the dAIR and EA process   | Follow-up response: New Gold will own the Transmission Line has no plans for this facility to be used by others. Any changes to this plan will be discussed with Aboriginal Groups and Government Agencies.  | Version H: No action required.                                 |                        |
| 47.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | General                   | Increased land access and usage - Saik'uz has experienced resource conflicts over the last four decades that can be co- related to increased traffic as a result of the forest service road usage. Saik'uz seeks a commitment for controlled access by Saik'uz for the traffic on this road.  | Section 12.2 describes environmental management plans which will address transportation and access management. Policies and procedures related to access and traffic will be presented in the management plans.  Furthermore, the Aboriginal Groups Consultation Plan proposes a consultation approach with Saik'uz First Nation on effects assessment and mitigation design that is scheduled to occur during the Application Review phase. New Gold recognizes the importance of input from Saik'uz First Nation on how mitigation is designed and implemented and looks forward to further discussion.  Notably, access on the Kluskus FSR is not controlled by the Proponent and falls under the responsibility of FLNRO because it's a forest service road. | Version G: No action required.  Version G: No Action required. | Satisfied              |
|                 |                          |                               | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  This issue is not specifically referenced in the dAIR. As above, this will likely need to be discussed with New Gold and the BC Government.   |  | Version H: No action required.                                 |                        |
| 48.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation | General                   | Economy - The following issues and their impact on the short and long term economics of the region should be considered by New Gold:  • The economic resilience of the affected communities and the diversity of their economies;  • The impact of the Project on property values and development;  • The effect of temporary or long term labour shortages;  • The effect of an influx and/or departure of   | The effects assessment under the social and economic pillar addresses the aspects in the comment as follows:  This is considered in the Regional employment and Businesses VC  Potential effects on property values such as housing and housing prices are assessed in the Regional and Community Infrastructure VC  This is considered in the Regional employment and Businesses VC  The Regional employment and Businesses VC and Well being VC discuss these potential effects  The assessment of cumulative Project effects on economic  | Version G: No action required.                                 | Satisfied              |



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|                 |                          |                               | Jackie Thomas                         |                           | temporary workers; and     The cumulative effect of numerous other projects commencing or concluding at the same time.   | conditions has been undertaken in the context of potential, reasonably foreseeable future changes in economic activities in the region.  |                                |                        |
|                 |                          | April 10, 2014<br>Email       | Saik'uz First Nation                  |                           | Follow-up comment: These issues are not specifically referenced in the assessment of socio-economic effects although they may be considered in the details of the assessment methodology. Clarification is required.   | Follow-up response:  Economic resilience of the affected communities and the diversity of their economies will be addressed in Section 6.2.3 (Regional and Local Employment and Businesses).  Impact of the Project on property values and development will be addressed in Section 7.2.3 (Regional and Community Infrastructure).  Effect of temporary or long term labour shortages will be addressed in Section 6.2.3 (Regional and Local Employment and Businesses).   | Version H: No action required. |                        |
|                 |                          |                               |                                       |                           |  | Effect of an influx and/or departure of temporary workers will be addressed in Section 6.2.3 (Regional and Local Employment and Businesses) and in Section 7.2.5 (Family and Community Well-being).  Cumulative effects assessment will be conducted on Valued Components with adverse residual Project Effects other than negligible. The cumulative effects assessment methodology will be described in Section 4 of the Application and will be consistent with Provincial and Federal guidelines.  |                                |                        |
|                 |                          |                               |                                       |                           |  | The selection of Valued Components has considered consultation with Aboriginal Groups including the feedback received on version C of the dAIR provided in April 2013 and on version G of the dAIR provided in February 2014. Reports presenting the rationale for selection of Valued Components were submitted as companion documents to versions C and G of the dAIR in April 2013 and February, 2014 respectively.   |                                |                        |
| 49.             | F<br>(September<br>2013) | November 7,<br>2013<br>Letter | Jackie Thomas<br>Saik'uz First Nation |                           | Finally, we note that our Aboriginal rights are derived from our Aboriginal laws, governance, practices, customs and traditions. Their existence in Canadian law does not flow from their recognition by provincial or federal orders of government; rather, these rights exist because they were not extinguished on assertions of sovereignty by the Crown. It is therefore imperative that any discussion of Aboriginal rights in the dAIR, and the subsequent EA, be developed through direct consultation with Saik'uz, as the holders of these rights and from whose laws, governance, practices, customs and traditions these rights are derived. | The section 11 order (11.1.1) issued by BC EAO directs New Gold to consult with Aboriginal Groups including Saik'uz First Nation with respect to the potential effects of the proposed Project on their Aboriginal interests (including Aboriginal rights). Section 11.1.2 of the order requires for New Gold to develop an Aboriginal Consultation Plan for approval of the Project Assessment Lead (BC EAO).  The Aboriginal Groups Consultation Plan (developed by New Gold) further describes intended consultation activities. Section 15 (Aboriginal Rights) will rely on a number of data sources including consultation conducted with Saik'uz First Nation. | n/a                            | Satisfied              |
|                 |                          | April 10, 2014<br>Email       | Jackie Thomas<br>Saik'uz First Nation |                           | Follow-up comment:  As noted above, the dAIR requires any discussion of Aboriginal rights be developed through discussion with First Nation groups.  | results of the consultation with Aboriginal Groups. As noted above   | Version H: No action required. |                        |
| 50.             | G<br>(February<br>2014)  | February 28,<br>2014          | Jackie Thomas<br>Saik'uz First Nation |                           | I am writing this letter as a result of today's deadline for comments requested for the dAIR of the Blackwater Project. We have a number of concerns about this process and the Rights, Title and Interests of Saik'uz First Nation.  My comment #32 in the Aboriginal section was responded by the BCEAO that 19 berry producing plants will be looked  | With regard to comment # 32 the different use of harvested plants by Saik'uz First Nation is described in Section 14, which addresses aspects such as harvesting practices, and ceremonial practices.  Section 5.4.5 presents the effects assessment on Ecosystem Composition, which uses traditional use plant habitat as an indicator for the effects assessment,  |                                | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                          | dAIR Version<br>Reference                               | Comment  | Proponent Response  | Action dAIR  | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|--|---|--|---|--|------------------------|
|                 |                         |                    |  |   | at in the project area. In terms of plant species assessment) I would think that plants could have categories such as food, medicinal, Building/tools/equipment, spiritual/ceremonial as well as for food and homes for the animals.  I did print off and save version G of the dAIR on Feb. 25, 2014 as Denise Raymond mentioned in her call to you. I haven't reviewed version G of the dAIR and must assume the changes noted from earlier correspondence is indeed included.  There are references to a Nov. 14, 2013 meeting that was held between the Saik'uz and Newgold technical persons under the responses given. I am unclear as to how the boundaries for this process works, since it appears the proponent and EAO work closely together for project approvals.  I would like to request the initial assessment of the BCEAO of Saik'uz First Nation's Aboriginal Rights, Title and Interests report and your assessment of potential impacts on all for this project. And lastly, we would request a meeting with you to understand how the proponent is fulfilling the consultation and accommodation for the Crown and exactly what is meant by procedural aspects of consultation. Thank you for your time. | resources use for traditional purposes (Section 7.2.7 of the dAIR).  All previous comments received from Saik'uz First Nation to the dAIR were recorded and addressed by New Gold in this dAIR tracking table (see responses to #1 to #49).  Consultation with Saik'uz First Nation for the purpose of the environmental assessment process is being conducted as proposed in the Aboriginal Groups Consultation Plan. Consultation reports that include a summary of consultation conducted with Saik'uz First Nation have been provided.  BCEAO responded by letter on May 7, 2014 to the comment concerning the assessment to be conducted by BC EAO on the effects of the project on Saik'uz First Nation Aboriginal Rights, Title and Interests. |  |                        |
| 51.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | 2.2.3 Onsite Components and Infrastructure, Table 2.2-1 | Table 2.2-1 - Discusses the Project Components and Facilities including the approximate dimensions and capacity for each component. In terms of the Freshwater Supply system, the draft AIR mentions that freshwater requirements will be met by pumping water from Tatelkuz Lake via a 20-km long pipeline to a receiving area within the mine site. However, there is no mention of the potential pipeline disturbance area. This area needs to be identified and included in the AIR.   | approximately 5-10 m wide, depending on local ground conditions. The pumping station will be located on the shores of Tatelkuz Lake and during construction a laydown area will be required to support the construction activities. It is anticipated that the area required will be approximately 100 m  | Version D: Information from response was added to Table 2.2-1.  Version G: No action required.                   | Satisfied              |
| 52.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.2.3, page 7                                   | On Page 7 of the draft AIR, there is mention of potentially acid generating (PAG) waste rock being disposed under water in the Tailings Storage Facility (TSF) or in the open pit. What precautions will be undertaken to ensure that no wildlife or furbearers ingest any of the water within the vicinity of the TSF? In addition, what happens to the PAG waste rock after the mine is decommissioned?  | Comment noted.  Follow-up response:  During operations the water within the TSF will not be accessible for wildlife for drinking. At closure the TSF is designed to meet wildlife water quality guidelines. Section 12 will present management plans for wildlife, water and waste management. PAG waste rock will be covered during the operations and closure phases as described in the mine waste management plan.  Surface water and sediment quality (including expected water quality in the TSF) will be described and assessed in the VC Surface Water Quality (Section 5.3.3 of the Application). The scope of the effects assessment includes the closure and post-closure phases of the Project.  | Version D: No action required.  Version G: No action required.   | Satisfied              |
| 53.             | C<br>(April 2013)       |                    | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.2.4 Off-Site<br>Infrastructure, page 12       | On Page 12 of the draft AIR, there is mention of an airstrip being built in close proximity to the mine site. How large of an area will this impact and how will this area be selected?  | approximately 2 km long and 200 m wide. Its location will be selected based on availability of a level ground area in the proximity of the mine site with location selected in consideration of existing land use, access, and  | Version D: Information was added from response to Table 2.2-1 and Section 2.2.4.  Version G: No action required. | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                          | dAIR Version<br>Reference   | Comment  | Proponent Response  | Action dAIR  | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|--|---|--|---|--|------------------------|
| 54.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.2.5: Environmental<br>Management System and<br>Adaptive Management<br>Approach, page 12 | Page 12 of the draft AIR speaks to managing Mine site water over several phases of the Proposed Project. However, no methodology is provided as to how each phase of Mine site water will be managed. More detail needs to be included in the AIR.   | Comment noted. Details of the management of mine site water will be provided in Section 2.2 Proposed Project Description and Section 12.2 Environmental Management Plans of the Application. The Project has been designed aiming for zero discharges of mine water during the operation phase. This will be achieved by recycling as much process water as possible. The details of the mine water management plan will be presented in the Application under Section 12.2 Environmental Management Plans. | Version D: No action required.  Version G: No action required.   | Satisfied              |
| 55.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.5 Alternative Means of<br>Undertaking the Proposed<br>Project, page 16                  | Section 2.5 (Page 16) of the draft AIR contemplates a comparative approach being used to assess project components and rejecting an alternative if it attains an unacceptable rating. How will this rating be determined and by whom?  | The assessment of alternatives will follow accepted procedures, using economic, technical, environmental, and socio-economic factors and ranking of priorities to conduct the comparative assessment. In particular, the mine waste assessment of alternatives is done based on the Guidelines for the Assessment of Alternatives for Mine Waste Disposal (Environment Canada 2011). The ratings for mine waste have been presented to the Working Group and feedback was been requested.                   | Version D: No action required.  Version G: No action required.   | Satisfied              |
| 56.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.6 Proposed Project<br>Land Use  | Section 2.6 lists the proposed project land use including identifying the LRMPs that the Proposed Project overlaps and the list of management objectives. It is important to note that most LRMPs in BC are out of date and have not taken into consideration all resource sectors. In addition, Ulkatcho First Nation did not participate in the development of the LRMPs, as this forum did not allow for addressing Ulkatcho First Nation Title, Rights and other interests.  | Comment noted. LRMPs will not be the only source of information to assess land use. Interviews with the users of the natural resources are contemplated in the baseline program, including meetings with FNs to understand the modern traditional uses of the land. A summary of this understanding will be presented in Section 14 of the Application.   |  | Satisfied              |
| 57.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.7 Proposed Project<br>Benefits, page 18   | Section 2.7 (Page 18) mentions annual government revenues for the construction and operations phases of the Proposed Project. Under the Federal item there is mention of Harmonized Sales Tax (HST). Given that the HST is no longer applicable to BC,PST/GST should replace any reference to HST.   | Agree with comment. The economic assessment will consider the revised PST/GST scheme.   | Version D: Section 2.7 of the dAIR was revised with the following bullets:  • Provincial (income tax, sales tax (PST), lease, license and tenure, royalties, other); and  • Federal (income tax, Goods and Services Tax (GST), payroll taxes, other);  Version G: Section 2.7 Proposed Project Benefits will now be located in Section 2.8 of the dAIR.                        | Satisfied              |
| 58.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 2.8 Applicable Permits,<br>Table 2.8.1  | Table 2.8.1 lists the potential Provincial Permits, Licenses and Authorizations Required for the Proposed Project. There is no 'Forest Protection Code' (FPC) Act in BC. However, there is a Forest Practices Code (FPC) Act in BC. Forest Protection Code should be changed to Forest Practices Code.  In addition, Ulkatcho First Nation recommends that a rough timeline as to when these permits, licenses and authorizations will be applied for be provided.  Note: It would be very helpful to Ulkatcho First Nation if the proponent discloses whether or not they will be applying for concurrent permitting, prior to submitting their Environmental Assessment Application. | Agree with comment.  Follow-up response: The term Forest Protection Code has been changed in the dAIR. The timeline for applications to obtain permits, licenses and authorizations will in part depend on obtaining provincial and federal EA certificates and thus, will not be presented in the dAIR.  New Gold does not intend to apply for concurrent permitting and will clarify this in the dAIR.  | Version D: Revised Table 2.8-1.  Version G: Table 2.9-1 Potential Provincial Permits, Licenses, and Authorizations Required for the Proposed Project of the dAIR was revised to include the following text:  • Forest Practices Code (FPC) Act, In Section 2.9, a sentence was added stating:  At this time, the Proponent does not intend to apply for concurrent permitting. | Satisfied              |
| 59.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | not given   | Timelines - Ulkatcho First Nation timelines will not necessarily align with those timelines set by the BC Environmental Assessment Office. Given the magnitude of the Proposed Project, there must be adequate consultation undertaken with Ulkatcho First Nation. In order for adequate consultation to take place, the BC Environmental Assessment Office, the Canadian Environmental Assessment Agency and New Gold Inc. must provide adequate resources for Ulkatcho First Nation  | This comment is directed to BC EAO.  Follow-up response: BC EAO responded to this comment via letter on September, 11, 2013.  | Version D: No action required.  Version G: No action required.   | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                          | dAIR Version<br>Reference   | Comment  | Proponent Response  | Action dAIR   | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|--|---|--|---|---|------------------------|
|                 |                         |                    |  |   | participation. Moreover, Ulkatcho First Nation must be involved in the scope and design of all studies or assessments.   |   |   |                        |
| 60.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 3.3 Aboriginal Groups<br>Information Distribution and<br>Consultation | Section 3.3 of the draft AIR mentions that a summary of issues, concerns and interests identified during consultation will be documented including how these matters were addressed. The word 'addressed' should be removed from the last part of this sentence and replaced with 'mitigated and/or accommodated'.   | Agree with comment.   | Version D: Text in Section 3.3 has been edited and states: "Summarize issues, concerns, and interests identified during consultation, and how these matters were addressed, including reference to applicable mitigation and/or accommodation measures identified in Section 18 of the Application"  Version G: No action required. | Satisfied              |
| 61.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 4 Assessment<br>Methodology   | Section 4 of the draft AIR speaks to the assessment of potential effects, including cumulative effects, mitigation, and significance of residual effects. In terms of cumulative effects, Ulkatcho First Nation recommends that a preindustrial baseline be used to assess the past; current condition be used to assess the present; and all other potential future industrial activities be used to assess the future. | This comment is directed to BC EAO.  Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013. | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 62.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 4.1 General Approach, page 25   | Page 25 of the draft AIR mentions that five pillars - environmental, economic, social, heritage, and health will be used to assess the potential significant and cumulative effects of the interaction of the Proposed Project activities. Ulkatcho First Nation recommends adding 'Culture' as the sixth pillar.  | This comment is directed to BC EAO.  Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013. | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 63.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 4.1.1 Valued<br>Components, page 27                                   | Page 27 of the draft AIR speaks to the Valued Components. Once again, a sixth pillar, Culture' needs to be added to the impacts list. Moreover, under the Heritage Resources VC Candidates (page 28) another bullet for 'Culturally Significant' should be added.  | This comment is directed to BC EAO.  Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013. | Version D: No action required.  Version G: No action required.  | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                          | dAIR Version<br>Reference | Comment   | Proponent Response  | Action dAIR   | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|--|---------------------------|---|---|---|------------------------|
| 64.             | C (April 2013)          | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | 29                        | Table 4.1-1 identifies the Valued Component (Valued Component) Candidates and Proposed Spatial Boundaries. Under Plant Species and Ecosystems at Risk (Page 30), Rare Medicinal Plants should be added. In addition, Wolf (carnivore) should be added to the Mammals category and mountain whitefish, which is mentioned as a Valued Component in section 5.3.7 should be added to the Table.  Note: Ulkatcho First Nation will need to be consulted on the spatial boundaries for the LSA and RSA for each Valued Component. | Follow-up response:  Further detail related to how valued components were selected can be found in the updated dAIR companion document. Based on information collected during interviews and secondary research with Aboriginal Groups regarding plant harvesting (Application Part C-Section 14.2.4.1), berry-producing plants and kinnicknick have been selected to   | Version D: No action required.  Version G: Section 5.4.5– Ecosystem Composition was updated to include a new indicator titled: Traditional use plant habitat. | Satisfied              |
| 65.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation |                           | Section 4.1.3 identifies 4 primary phases for the temporal boundaries of the Proposed Project. For the Post-Closure phase, the draft AIR mentions that the post- closure phase is estimated to start immediately after completion of the closure activities. However, there is no mention of how long the post-closure phase will last. An indication of how long the post-closure phase will last, would be helpful.   | Comment noted. Post-closure starts following completion of reclamation and rehabilitation activities proposed during the closure phase, which would last approximately 2 years. The post-closure phase considers the period of time that would be required for the open pit to flood and start discharging toward the TSF and the additional time that would take the TSF to start overflowing and discharging water back to Davidson Creek. This period of time is expected to last approximately 25 years following closure (to Year 45). Post-closure land use and water quality objectives would have been achieved and only monitoring and maintenance activities would be required. | Version D: No action required.  Version G: No action required.  | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of<br>Comment | Author of Comment                          | dAIR Version<br>Reference  | Comment   | Proponent Response  | Action dAIR   | EAO Comment/<br>Status |
|-----------------|-------------------------|--------------------|--|--|---|---|---|------------------------|
| 66.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | 4.1.4.1 Assessment of Project<br>Effects and Cumulative Effects,<br>page 45                | Page 45 identifies general land uses being reviewed to determine the potential contribution to cumulative effects. A bullet titled 'Cultural Uses' should be added to this section.   | Comment noted. Traditional land use will be considered in the assessment of the residual and cumulative effects of the Project on selected VCs described for the environment, economic, social, heritage, and health pillars of the assessment. No cultural assessment is proposed.   | Version D: No action required.  Version G: No action required.  | Satisfied              |
|                 |                         |                    |  |  |   | Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013.  |   |                        |
| 67.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 5.1.2.4 Groundwater Quality  | Water quantity and quality is very important to Ulkatcho First Nation. Water quantity and potential water contamination should also be added to this section. This would also apply to section 5.3.2 Surface Water Quality.   | Agree with comment. This concern has been taken into consideration in the selection of VCs. Surface water flow, surface water quality, groundwater flow, and groundwater quality are VCs for the assessment of potential Project and cumulative effects.  | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 68.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 5.4.8.2 Potential Effects of the proposed Project and Proposed Mitigation, page 89 | 5.4.8.2 Potential Effects of the proposed Project and Proposed Mitigation Page 89 of the draft AIR identifies that the proponent will assess the direct and indirect wildlife mortality from the mine operations and traffic. Ulkatcho First Nation recommends that a Wildlife Mortality Study be         | Comment noted. Wildlife mortality as a result of project activities will be addressed under the amphibian, bird, mammal, and invertebrate VCs and presented in Section 5.4 of the Application. Management plan for wildlife will be presented in Section 12.2 of the Application with description of actions to be taken by New Gold to mitigate this potential effect.   | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 69.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 6 Assessment of Potential Economic Effects   | Section 6.0 discusses the assessment of economic effects, which includes employment and economy. Ulkatcho First Nation requests that a section titled, "Traditional Economy" be added.  | Comment noted. The effects on traditional economy will be described in Section 15 Aboriginal Rights and 16 Aboriginal Interests. These sections will consider potential effects on traditional activities such as hunting and plant gathering that may be considered part of the traditional economy.  Follow-up response:  A new VC titled "Current Land and Resource Use for Traditional Purposes" will be added to the dAIR in Section 7.2.7. The assessment for this VC considers the potential effects of the proposed Project and activities on current land and resource use for traditional purposes within the defined study areas in relation to:  Changes in hunting and trapping activities;  Changes in fishing activities;  Changes in Plant gathering activities;  Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation) | Version D: No action required.  Version G: Section 7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes". | Satisfied d            |
| 70.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation | Section 8 Assessment of<br>Potential Heritage Effects                                      | Section 8.0 mentions that the proponent has retained the services of a consulting archaeologist to conduct an Archaeological Impact Assessment for the Proposed Project. Ulkatcho First Nation requests that Ulkatcho First Nation members be present when carrying out the AIA for the Proposed Project. | Comment noted.  Follow-up response:  Ulkatcho First Nation was invited to participate in the archaeological investigations taking place on the Project footprint. Ulkatcho team members were present for these investigations. The methods being used for the archaeological investigations have been approved by the   | Version D: No action required.  | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of Comment | Author of Comment                          | dAIR Version<br>Reference   | Comment   | Proponent Response  | Action dAIR   | EAO Comment/<br>Status |
|-----------------|-------------------------|-----------------|--|---|---|---|---|------------------------|
|                 |                         |                 |  |   | Moreover, Ulkatcho First Nation must be involved in the scoping and design of any potential assessments, models or protocols used to obtain Culture Heritage information.  Appropriate Confidentiality Agreements must be in place, prior to detailed discussions with respect to Cultural Heritage information. In terms of the VC list for Potential Heritage Effects, Culture Camps should be added to the list.   | Heritage Branch and these permits were referred at the time to First Nations for review.  In addition, Environmental Work Plans have been sent to UFN prior to each field year which includes descriptions of proposed methods and archaeology.  Ulkatcho First Nation was provided funding to complete a TLU study and the information generated through this study will assist in informing Culture Heritage information.   | Version G: Section 7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes". |                        |
|                 |                         |                 |  |   |   | The companion document provided with dAIR version G presents rationale for selection of VCs and indicators. Culture Camps have not been selected as a VC. A new VC on Current Land and Resource Use for Traditional Purposes includes the indicator "other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation)", which will include the assessment of culture camps, given that information would be available.  New Gold is committed to continuing to work with Ulkatcho First Nation to identify specific concerns and develop approaches to mitigate those concerns. |   |                        |
| 71.             | C<br>(April 2013)       | June 3, 2013    | Chief Zach Parker<br>Ulkatcho First Nation | Section 9 Assessment of<br>Potential Health Effects                                 | Section 9.0 contemplates selecting VCs for Human Health including environmental exposures, worker safety and health. Ulkatcho First Nation recommends adding another VC which links the potential impact on ecological health to the potential impact on First Nation human health. Given that many First Nations consume the organs of wildlife where most contaminants reside, it is important that a VC be included as part of Potential Health Effects.                   | Comment noted. The "Environmental Exposures" VC considers the residual effects on the health of people that could be potentially exposed to contaminants generated by the Project. This is supported by a Human Health and Ecological Risk Assessment that considers First Nations near the Project area as receptors given their presence and economic activities in the area.  As an outcome of the human health ecological risk assessment a country foods monitoring plan will be developed. This plan will be included in Section 12 of the Application.  Follow-up response:                                      |   | Satisfied              |
|                 |                         |                 |  |   |   | The country foods monitoring plan will be described in Section 9.2.2. of the Application.   |   |                        |
| 72.             | C<br>(April 2013)       | June 3, 2013    | Chief Zach Parker<br>Ulkatcho First Nation | Section 10 Accidents and<br>Malfunctions  | Section 10.0 of the draft AIR identifies potential accidents, malfunctions and unplanned events that could occur in any phase of the Proposed Project. In addition to the accidents and malfunctions listed in the draft AIR, Ulkatcho First Nation requests that a detailed Communication Plan identifying how members currently exercising their Section 35 Rights and other interests on the land and, in close proximity to the potential accident or malfunction will be | Comment noted. The Application will describe how potential accidents, malfunctions, or unplanned events would be managed or mitigated. This will include communication measures that will be required to inform the public.  Follow-up response:  In addition, the environmental management plans presented in Section 12.2 of the Application will include emergency and spill preparedness and response.  | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 73.             | C<br>(April 2013)       | June 3, 2013    | Chief Zach Parker Ulkatcho First Nation    | Section 11 Potential Effects of the Environment on the Project                      | contacted, be added to this section.  Given the Mountain pine Beetle epidemic in BC, a detailed Wildfire Protection Plan covering the Regional Area of the  | Agree with the comment.   | Version D: A Wildfire Protection Plan has been included in Section 12.2 of the Application                              | Satisfied              |
|                 |                         |                 |  |   | Proposed Project should be in place, prior to construction.   |   | Version G: No action required.  |                        |
| 74.             | C<br>(April 2013)       | June 3, 2013    | Chief Zach Parker<br>Ulkatcho First Nation | Section 12 Summary of<br>Proposed Environmental and<br>Operational Management Plans | There is very little information with respect to the closure and post-closure phases of the Proposed Project. Detailed information in relation to the closure and post- closure phases of the Proposed Project would be very helpful.   | Comment noted. A Reclamation and Closure section has been inserted below Section 2.2.5 of the dAIR. A summary of the conceptual reclamation and closure plan will be included in Section 2. 2.6 and the conceptual plan will be included as an appendix. The plan will include the information mentioned in the comment and will cross-reference relevant management plans presented in the Application (e.g. Invasive Species Management Plan,   | Version D: dAIR revised to include a Section 2.2.6 Reclamation and Closure.   | Satisfied              |



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|                 |                         |                    |   |  |  | Fish Habitat Compensation Plan).  Follow-up response: Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  Section 12.2 of the dAIR explains that the environmental management plans will address invasive species management.   |  |                        |
| 75.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation                | Section 14 First Nations<br>Background Information   | Section 14 discusses background information from each of the First Nations. In terms of the Economic section (Page 129), Ulkatcho First Nation recommends that 'Traditional Economy' be added to this section.   | Comment noted. Section 14 First Nations Background Information will present information about traditional economy, including activities such as hunting and plant gathering where available.  Follow-up response:  Section 14 presents a discussion of traditional land use and traditional knowledge based on secondary information, and where available, primary data collection activities such as interviews. The traditional land use section emphasizes the importance of the use of harvesting for subsistence purposes. Given that many Aboriginal Groups now participate in the "dual economy", Section 14 also describes the economic conditions for on-reserve communities.  A new VC was also added to Section 7 to support the assessment of potential effects on current Ulkatcho land uses such as harvesting or sacred places. | Version D: No action required.  Version G: Section 7 was revised and includes a new VC called Current Land and Resource Use for Traditional Purposes.  | Satisfied              |
| 76.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation                | Section 15 Aboriginal Rights   | The Ulkatcho First Nation has Title, Rights and other interests within the Proposed Project area. In addition to describing mitigation measures (Page 130) to avoid or reduce such impacts to our Title, Rights, and other interests, the BC government and the proponent must accommodate our Title, Rights and other interests.  | This comment is directed to BC EAO.  Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013.  | Version D: No action required.  Version G: No action required.   | Satisfied              |
| 77.             | C<br>(April 2013)       | June 3, 2013       | Chief Zach Parker<br>Ulkatcho First Nation                | Section 16 Other Aboriginal<br>Interests   | Section 16 contemplates identifying Aboriginal interests with respect to potential social, economic, environmental, heritage and health effects. Culture should also be added to this section. In addition, this section should describe how our interests have been mitigated or accommodated (not addressed).  | This comment is directed to BC EAO.  Follow-up response:  BC EAO responded to this comment via letter on September, 11, 2013.  | Version D: No action required.  Version G: No action required.   | Satisfied              |
| 78.             | G<br>(February<br>2014) | February 27, 2014  | Daryll Hebert<br>(Consultant to Ulkatcho<br>First Nation) | 5.1.3.4 Wildlife and Wildlife Habitat 5.4.7 Amphibians 5.4.8 Water Birds 5.4.9 Forest and Grassland Birds 5.4.10 Moose 5.4.11 Caribou 5.4.12 Grizzly Bear 5.4.13 Furbearers 5.4.14 Bats 5.4.15 Invertebrates | The main problem with the entire wildlife section is the lack of scale application to each category. Their repetitive assessment procedure, fails to identify their application of baseline, impact assessment, temporal effects (past – future), mitigation, etc. using an understanding of scalar consequences for each ecological or species groups. i. e. plants are relatively unmoving while caribou, grizzly bear, fishes, wolverine are nomadic and wide ranging. At one end, operational procedures are important, while strategic assessments are important for wide ranging species.  For example, what is baseline for caribou, - pre mountain pine beetle, pre roads, pre logging, pre wolves? Thus, what is cumulative effects assessment? The d-AIR outline assumes it occurs at an individual level, when it actually occurs at a population level, using a wide range of temporal and spatial assessment procedures.  The New Gold project is an additive set of impacts at the end of a cumulative effects process that could tip the scales | A meeting between New Gold and Daryll Hebert was conducted on March 5, 2014 in Williams Lake to discuss this comment. As agreed during the meeting additional wording will be provided under the Caribou Valued Component (Section 5.4.11) of the dAIR to address this comment. The wording outlines as discussed, a longer term commitment to support initiatives in the area to better understand caribou population trends and predator-prey relationships and as well as mitigation measures. A confirmation email was provided from Daryll Hebert on March 19, 2014 that the proposed dAIR wording is adequate.   | Section 5.4.11 Caribou of the dAIR has been updated to add the following wording:  "New Gold is working with the nearby First Nations and the Proposed Southern Mountain Caribou Recovery Plan, and the Province to understand and protect caribou and their habitat. New Gold is actively participating and supporting caribou and wolf related studies on a regional basis, involving the Tweedsmuir Itcha - Ilgachuz metapopulation. In its Application, New Gold will describe and document how knowledge and practices learned from these regional initiatives will be incorporated holistically into mine planning and environmental management plans for the proposed Project to address caribou concerns related to the Project. The Application will also |                        |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Date of Comment | Author of Comment   | dAIR Version<br>Reference | Comment  | Proponent Response   | Action dAIR   | EAO Comment/<br>Status |
|-----------------|-------------------------|-----------------|---|---------------------------|--|--|---|------------------------|
|                 |                         |                 |   |                           | to extinction. The d-AIR report has no scientific assessment to assess this process. There are no controls, nor any research procedures suggested to deal with impacts at a strategic scale.  The entire section is inadequate and will not provide any useful procedures to deal with the problem.  The suitability mapping undertaken by Newgold is entirely unsuitable, since it assumes suitable habitat contains trees and food, when it does not.  Similarly the critical habitat mapping procedure undertaken by SARA will be inadequate.  The issues relevant to caribou are habitat loss, habitat survival and its amount and distribution at a strategic scale, predation AND THE CUMULATIVE INDUSTRIAL EFFECT. THE d-AIR PROCESS REDUCES THE TEMPORAL AND SPATIAL SCOPE AND SCALE TO THE POINT OF BEING USELESS FOR CARIBOU.  THE ULKATCHO REQUIRE THAT THIS SECTION BE REWRITTEN WITH THEIR INPUT. |  | describe any long term plans and/or commitments that New Gold has or intends to make to continue to actively participate in collaborative regional initiatives with local First Nations and Regulators to better understand and protect the caribou herds through all phases of its Project." |                        |
|                 |                         |                 | Daryll Hebert<br>(Consultant to Ulkatcho<br>First Nation)<br>April 25, 2014 |                           | Follow-up comment: I would add "metapopulation" to the 4th line from the bottom "plans for the Project to address caribou metapopulation concerns related to the project".   | Follow-up response: Agree with comment.  | Version H: dAIR wording has been revised to add metapopulation to the following text:  "management plans for the proposed Project to address caribou metapopulation concerns related to the Project."   |                        |
| 79.             | C<br>(April 2013)       |                 | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN)       | Valued Components         | Aquatic – Surface water quality  Concern over the potential effects to the water quality in Tatelkuz Lake and the Nechako Reservoir.  The tailings pond is on/near Davidson Creek. Seepage or spills into Davidson Creek would carry contaminated water to an inhabited reserve - Tatelkuz Lake IR28  Sediment released into the streams has the potential to transport pollutants in to Tatelkuz Lake and the Nechacko Reservoir.   | Comment noted. The potential effects of the Project on surface water quality will be assessed under the surface water quality VC as described in Sections 5.3.2 and 5.3.3 of the dAIR. The LSA shown in Figure 4.1-4 describes the area of potential effects of the Project. The Project will not have any discharge from the tailings impoundment during operations and closure. Seepage from the main dam will be captured by an environmental control dam downstream on Davidson Creek and pumped back to the TSF.  Follow-up response:  Potential releases during construction and post closure phases will be assessed in the Application.  In addition, Section 12.2 will present environmental management plans that will address mine water management and water quality and liquids discharges management.  | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 80.             | C<br>(April 2013)       |                 | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN)       | Valued Components         | mine site facilities.  • Tailings Management Facilities will stop the flow of  | Comment noted. The effects of the Project on the flows of the different watersheds where the mine site will be located will be assessed under the surface water flow VC as explained in Section 5.3.2. As shown in Figure 4.1-1 in dAIR, the LSA for hydrology involves the catchments of Davidson Creek and Creek 661, Creek 705, Turtle Creek and one Tatelkuz Lake tributary. The LSA also includes a portion of Chedakuz Creek downstream of Tatelkuz Lake.  The Application will identify potential effects on surface water quantity and flow. Effect conclusions are based on predicted water volumes in and from the Project area, including mine water, seepage, surface runoff, and collection ponds. The assessment considers the potential effects on water quantity and catchment areas in relation to:  • Water withdrawals and discharge related to the Project, including points of withdrawal and discharge;  • Quantity of runoff, groundwater, and seepage from mine workings. This |   | Satisfied              |



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|                 |                         |                 |   |                           | inhabited Reserve (Tatelkuz IR28) • NewGold plans to pipe water out of Tatelkuz Lake what is the impact going to be when you also reduce the flow from Chedakuz Creek?   | includes: a description of predicted inflows; water handling procedures; water balance predictions and contingencies for potential inflows that are higher than expected; and the effects of discharges on the hydrology of the area; • Consideration of flood and drought conditions (wet and dry); • Climate change scenarios, considered in the form of sensitivity analysis of key hydrological parameters such as precipitation, are applied to water balance; and • Receiving water quantity, including changes in timing, volume, and deviation of peak and minimum flows resulting from the Project.  |   |                       |
|                 |                         |                 |   |                           |  | Follow-up response: The study areas for hydrology are now presented in Figure 4.3-3 of dAIR version G.  |   |                       |
| 81.             | C<br>(April 2013)       |                 | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation          | Valued Components         | Birds and Mammals Is there anything in place to prevent migratory birds and mammals (large and small) from accessing the water in the  | Updated Response (January 2, 2014):   | Version D: No action required.  | Satisfied             |
|                 |                         |                 | (LDN)   |                           | tailings pond? They don't know that the water is potentially contaminated.   | Comment noted. The Application will include environmental management plans that will address wildlife management. These plans will include a detailed description of mitigation measures to protect wildlife as outlined in Section 12.2 of the dAIR. Post-closure objectives of water quality in the tailings impoundment will consider protection of wildlife.  | Version G: No action required.  |                       |
| 82.             | C<br>(April 2013)       |                 | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN) | Valued Components         | Waste Rock  • What is being done with the waste rock after the whole ore leach process? Is the ore safe after it's been sprayed with cyanide?  | Updated Response (January 2, 2014):  Comment noted. The waste rock will not be treated using cyanide. NAG waste rock from the open pit will be disposed of at the waste rock dumps located adjacent to the open pit. PAG waste rock will be placed in the TSF and managed to prevent oxidation. Only the ore will be subject of treatment using a whole ore leach process. The waste products of the whole ore leach process are tailings. The tailings will be deposited in the TSF for long term containment after a cyanide destruction process has been applied.  | Version D: No action required.  Version G: No action required.  | Satisfied             |
| 83.             | C (April 2013)          | June 10, 2013   | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN) | Valued Components         | Employment/Labour income generated • Yes there are employment opportunities. Yes the First Nation's people may be able to get a job, but we're already seeing people getting screened out because of literacy issues. New Gold's HR department is telling us that the standards for employment are going to go up when the mine goes into production. If we can't get jobs now what are the odds that we'll be able to get jobs when NewGold raises the bar? We're not saying give out token positions; we're saying we need to find a way where we can work with first nation's skills and abilities. E.g. mentorships, Co-op, on-site training etc. • LDN has interest in developing skills. We have people that have taken training with BCAMPTA, but they still come up short when they apply for jobs with NewGold. • Influx of money can lead to serious social problems like increased drug and alcohol abuse | one of the VCs used in the assessment. The potential social problems associated with project-related income will also be addressed in Section 7.2.5 Family and Community Well-being of the Application.  New Gold is committed to continuing to actively engage on ways to maximize the employment of local Aboriginal peoples.  Follow-up response:  This discussion will no longer be presented in Section 7 for issues with respect to Aboriginal Groups. Part C will present a discussion of potential effects to Community Well-being specific to LDN and other Aboriginal Groups.  As a result of further review, the previous paragraph was identified as inaccurate. Section 7.2.5 Family and Community Well-being will assess potential effects of the project within the SERSA, Section 16 – Other Aboriginal Interests will present a discussion of potential effects to | Version D: Section 7.2.5 Family and Community Well-being was added to the dAIR as a new Valued Component.  Version G: No action required. | Satisfied             |
| 84.             | C<br>(April 2013)       |                 | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN) | Valued Components         | Social Local infrastructure and services • In-migration of workers during peak construction phase has high potential to bring in additional social problems. Tahltan have a number of operating mines in their territory. They've noted a definite need for more front line workers - social workers, family services and the like - to deal with it. • Shift work of 2 weeks on 2 weeks off removes the parents   |   | Version D: dAIR revised to include new Section 7.2.4 Regional Services, and Section 7.2.5 Family and Community Well-being.                | Satisfied             |



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|              |                         |                 |   |                           | from children and the community. Concern about people getting off shift and then letting off steam for the time they are away from work.  • Community dependence on the mine and wages provided. Potential issues arise after the mine closes  • Need to anticipate more frontline workers that can provide social support to deal with increase in social problems | Follow-up response:  This discussion will no longer be presented in Section 7 for issues with respect to Aboriginal Groups. Part C will present a discussion of potential effects to local infrastructure and services specific to LDN and other Aboriginal groups.  As a result of further review, the previous paragraph was identified as inaccurate. Section 7.2.5 Family and Community Well-being will assess potential effects of the project within the SERSA, Section 16 – Other Aboriginal Interests will present a discussion of potential effects to Community Well-being specific to LDN and other Aboriginal groups. | Version G: No action required.  |                        |
| 85.          | C (April 2013)          | June 10, 2013   | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN) | Valued Components         | Heritage Archaeological sites • Potential horse/foot trails as going up Mount Davidson. There is a possibility of CMT's and other archaeological sites in the area. Historic heritage sites • Freshwater pipe from Tatelkuz Lake will cross the Messu Wagon Trail. We would like to see a minimal amount of disturbance as possible.                                | assessment. CMTs will be fully documented regardless of the age of the modification scar (including CMTs not protected under the <i>Heritage Conservation Act</i> ). Other types of archaeological sites identified will be fully documented under Heritage Inspection Permit #2012-0295. The freshwater pipeline corridor from Tatelkuz Lake to the mine site crosses the Messue Wagon Trail. This crossing was assessed during the 2012 field season.  Follow-up response:  Lhoosk'uz Dene Nations members were members of the field survey teams.  | Version D: No action required.  Version G: No action required.  | Satisfied              |
| 86.          | C<br>(April 2013)       | June 10, 2013   | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene Nation<br>(LDN) | Valued Components         | Environmental Exposures  The proposed tailings pond feeds into Tatelkuz Lake Lhoosk'uz have an inhabited reserve at the outflow. Seepage, dam failure, spills etc. have a potential to pollute the lake.  Berry picking sites have been identified around the base of Davidson Mountain there are concerns around potential contamination                           | Dam failure is one of the scenarios that will be addressed under the accidents and malfunction Section 10 of the dAIR. The human health risk assessment will identify and assess the likely effects of components of the Project where potential environment exposure pathways exist, considering dependent disciplines assessments (e.g. air quality, vegetation, and water quality) as described in Section 9.2.1 of the dAIR.  Follow-up response:   | Version D: No action required.  Version G: Section 5.4.5 Ecosystem Composition was updated to include a new indicator titled: Traditional use plant habitat.  The country foods monitoring plan was | Satisfied              |
|              |                         |                 |   |                           |   | An updated companion document will be provided with dAIR version G, which presents the rationale for the selection of VCs and indicators.  The terrestrial effects assessment will include an assessment on berry producing shrubs. In addition, a Country Foods Monitoring Plan will be developed as outlined in Section 9.2.2 of the dAIR.  Recent information collected during interviews and secondary research with Aboriginal Groups regarding plant harvesting (Section 14.2.4.1 of the Application), resulted in selection of berry-producing plants to   | formerly referenced in Section 12.2., but is now described in Section 9.2.2 under the Environmental Exposures VC.   |                        |



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|                 |                         |                             |   |  |   | represent traditional use plants (including medicinal plants) in the assessment.  Traditional use plant habitat information will be derived from baseline plot data that includes plant species presence and abundance. Plant species that are berry-producing and occur within the project area will be selected and correlated to site series. Using the ecosystem map, potential berry- producing areas will be identified. Primary traditional land use information will inform this assessment, where available.  Section 5.4.5 Ecosystem Composition will now assess effects to traditional use plant habitat while Section 15 (Aboriginal Rights) will present an assessment of effects on the Aboriginal Rights related to traditional use plant harvesting. A total of 19 berry-producing species were chosen to represent traditional use and were confirmed to occur in the Project area by the baseline field program. All are upland species and the leaves, stems, and roots are used for food, medicine, or tea (Young and Hawley, 2010; Turner, 1997). | Version H: Section 9.2.2 has been undated  |                        |
| 87.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.3 Surface Water Quality                        | <ul> <li>#5 - Surface water quality</li> <li>TSF ison Davidson Creek. The creek flows through the inhabited LDN reserve of Tatelkuz Lake IR28</li> <li>Creek water is used as a source of drinking water</li> <li>Seepage for the TSF is listed as none to almost none, but no dam is able to contain all water.</li> <li>Closure of mine is planned to have the pit fill with water. The water will then flow into the tailings storage facility. Overflow water will then flow into Davidson Creek. Again Davidson Creek flows into the inhabited L h o o s k' u z Dene Nation reserve Tatelkus Lake IR28. Davidson creek is used as a source of drinking water. There is a concern of contamination from the pit; the TSF or both post closure. What is the plan should findings show that the pit would contribute contamination to the creek?</li> </ul> | zero discharge through operations and closure and the layout of facilities allows for the control of drainage. Surface water and sediment quality is predicted to meet applicable provincial and federal standards for freshwater fish and human consumption. Reporting and environmental management plans are described in section 12 and 13 of the dAIR and subsequently the application.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and it was resolved that the dAIR be updated to commit to providing in the application a proposed monitoring plan as well as how the monitoring plan will be developed, implemented and results shared.   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text: "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring."  | Satisfied              |
| 88.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.3 Surface Water Quality 5.3.4 Sediment Quality | #5 and #6 - Surface water quality and sediment quality  • TSF is on Davidson Creek. The creek drains into the inhabited LDN reserve of Tatelkuz Lake IR28. Whether the creek becomes contaminated or not, perception of contamination can and will create a situation where the LDN inhabitants of Tatelkuz Lake IR28 will avoid using the creek as a source of drinking water. This will impact their aboriginal right to utilize the water.   | fish and human consumption. Reporting and environmental management plans are described in section 12 and 13 of the dAIR and subsequently the application.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and it was resolved that the dAIR be updated to commit to providing in the application a proposed monitoring plan as well as how the monitoring plan will be  | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text:  "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 89.             | G<br>(February<br>2014) | March 11,<br>2014           | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.6 Groundwater Quality                          | #7 and #8 - Groundwater Quality  • Mine footprint has multiple creeks that flow into Tatelkuz Lake and one through the inhabited LDN  | The effects assessment on surface water quality and sediment quality will be presented in Sections 5.3.3 and 5.3.4 of the dAIR and Application. Surface water and sediment quality is predicted to meet applicable provincial and federal standards for freshwater fish and human consumption.   | Version H: Section 9.2.2 has been updated.<br>The bullet "propose a monitoring plan for<br>country foods" has been replaced with the<br>following text:  | Satisfied              |



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|-----------------|-------------------------|-----------------------------|---|---|---|---|---|------------------------|
|                 |                         | Letter                      |   |   | reserve of Tatelkuz Lake IR28. Contamination of the Lake and water, whether perceived or real, can and will push the LDN members away from using the water as a drinking source or eating the fish from the lake. LDN members take trout, whitefish, and ling cod from Tatelkuz Lake and use them as a food source.   | Section 12.2 of the Application will present environmental management plans that address mine water management, water quality and liquid discharges management, and aquatic resources management.  A country foods monitoring plan will be provided as described in Section 9.2.2 of the dAIR. Rainbow trout and mountain whitefish will be sampled to track metals concentrations in these species during the life of the Project. Results will be compared to baselines. Baseline metal concentrations for fish species were measured in 2011, 2012, and 2013.  | that maybe consumed in the area of the mine   |                        |
| 90.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.7 Wetlands 5.4.10 Moose 9.2.2 Environmental Exposures | <ul> <li>#9 - Wetlands</li> <li>Wetlands and marsh areas are often associated with moose habitat. The LDN rely on moose as a food source. There is a concern over the potential of heavy metal and other forms of contamination affecting wetlands then working their way up through the food chain to the moose and finally the people.</li> <li>There is also a concern that degradation of the wetlands may also cause impacts to overall moose population in the area and thus an impact to the overall food supply of the LDN members</li> </ul> | The effects assessment for the wetlands valued component will be presented in Section 5.3.7 of the Application. The Application will also provide mitigation measures to comply with the Federal Policy on Wetland Conservation (Government of Canada, 1991), and a conceptual wetlands mitigation and compensation plan.  The effects assessment on Moose will be presented in Section 5.4.10 of the Application. As described in the dAIR, the effects assessment on Moose will consider any wetland habitat alteration or loss.  Section 2.6 of the Application presents the reclamation and closure plan, which includes progressive reclamation with appropriate species to accelerate reclamation of preferred moose habitat through silviculture methods to promote site restoration to pre-disturbance condition. The reclamation design will incorporate features designed to provide wildlife habitat to target species such as moose.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and it was resolved that the dAIR be updated to commit to providing in the application a proposed monitoring plan as well as how the monitoring plan will be developed, implemented and results shared. |   | Satisfied              |
| 91.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.8 Fish  | <ul> <li>#10 - Fish</li> <li>Tatelkuz Lake is utilized by the LDN as a source of trout, whitefish and ling cod.</li> <li>Contamination of the lake and water, whether perceived or real, can and will push the LDN members away from using the water as a drinking source or eating the fish from the lake. LDN members take trout, whitefish, and ling cod from Tatelkuz Lake and use them as a food source.</li> </ul>  | Agency, BC EAO and New Gold to discuss the comment and it was resolved that the dAIR be updated to commit to providing in the application a proposed monitoring plan as well as how the monitoring plan will be developed, implemented and results shared.  | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text: "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with | Satisfied              |



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|                 |                         |                             |   |  |   |   | First Nations, community members and Agencies prior to the initiation of any monitoring."  |                        |
| 92.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.9 Fish Habitat   | #10 - Fish  • Upgrades to the existing road and the creation of a new access road to the mine site will cross multiple streams and creeks. Stream and Creek crossings, particularly when culverts are used, has been identified by BC as having a major impact to fish habitat/mobility. There is a concern for impacts to fish habitat that extent past the footprint of the mine.   | The mine site access road will cross five permanent streams and the potential effects and mitigation for these crossings will be assessed in Section 5.3.9 of the Application. Stream and creek crossing will be designed in accordance with the British Columbia Ministry of Forest's "Fish-stream crossing guidebook", and recent guidance documents published by Fisheries and Oceans Canada.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and the dAIR captures the concern.  |  | Satisfied              |
| 93.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.3.3 Surface Water Quality 5.3.4 Sediment Quality 9.2.2 Environmental Exposures | <ul> <li>#12 - Acid Rock Drainage/Metal Leaching</li> <li>Contamination of the Lake and water, whether perceived or real, can and will push the LDN members away from using the water as a drinking source or eating the fish from the lake. LDN members take trout, whitefish, and ling cod from Tatelkus Lake and use them as a food source.</li> </ul>   |   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text:  "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 94.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | Resource Use for Traditional   | <ul> <li>#13, #15, #16, 1117 - Physiography and Topography, Soil Quality, Ecosystem Composition, Plant Species and Ecosystems at Risk</li> <li>The mine is proposed to run for 16 years. Reclamation and restoration of the mine site will take a decade or more. During this time the LDN will not be able to access the area in order to practice the culture within the mine footprint. This forces the LDN to choose other areas and rely on other resources as a means of practicing and more importantly transmitting their culture from one generation to the next.</li> <li>The site will be changed. Reclamation of the site will alter the landscape and make it inaccessible for 20-30 years. This will impact the LDN's ability to access resources required to practice and transmit their culture.</li> </ul> | New Gold will facilitate access to the mine site to First Nations throughout the life of the project, from construction to post-closure phases, provided that the areas accessed are safe for the activities to be conducted by the First Nations and advanced notice is given.  The effects assessment on current land and resource use for traditional purposes will be presented in Section 7.2.7 of the Application. The assessment will consider potential restrictions on access to land and resources, change in amount of resources available and sensory disturbances. The assessment will consider assessments and mitigations developed in other sections of the Application (e.g. fish and fish habitat, ecosystem composition, moose, etc.).  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and it would be identified in the mitigation section and as such no changes to the dAIR would be made. | Version H: Not Action required   | Satisfied              |
| 95.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.4.10 Moose   | #21- Moose  • Moose populations are down in the Prince George and Lakes districts area as much as 50-70% since recent counts around 2005. There is a concern that the mine will impact the wetlands and contribute to a cumulative impact all moose. Existing cumulative  | The effects assessment on Moose will be presented in Section 5.4.10 of the Application, including an assessment of cumulative effects. The assessment considers Mountain Pine Beetle, forestry, existing access roads, as well as increased access and indirect mortality of species through increased hunting opportunities or improved access for predator species.   | Version H: No action required.   | Satisfied              |



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|              |                         |                             |   |  | impacts include, but are not limited to Mountain Pine Beetle, existing access roads, forestry, hunting and predator pressures. Impacts to the moose population will affect the LDN because it is a food source.   | Section 12.2 of the Application will present environmental management plans, which addresses management measures for Moose. Habitat management is the primary tool used to maintain regional balance of vegetation that is necessary for food and shelter. Access management and mitigation measures for linear corridors will be in place to prevent increased access by hunters and predators as stated in the draft provincial framework for moose management in BC (BC MFLNRO, 2013). In addition, concerns related to changes in predator-prey dynamics will be addressed through landscape level management of palatable species, cover, and access with special attention to road and trail side vegetation management.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and no changes to the dAIR were proposed as the concern is reflected within the   |  |                        |
| 96.          | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.1.2.6 Fish and Fish Habitat 5.3.8 Fish 9.2.2 Environmental Exposures | #29 Mountain Whitefish  • Whitefish are utilized by the Lhoosk'uz Dene Nation as a food source. The very name Lhoosk'uz is derived from the fish. It translates into "Half a Whitefish". At this point in time Whitefish has been left out of the baseline studies.         | A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment. It was recognized that mountain whitefish, and other species are present in Tatelkuz Lake and results of 2013 baseline studies will be provided with the application as per section 5.1.2.6 of the dAIR. it was resolved that the dAIR be updated to commit to providing in the application a proposed monitoring plan as well as how the monitoring plan will be developed, implemented and results shared.   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text:  "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 97.          | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 7.2.3 Regional and Community Infrastructure                            | #44 - Regional and Community Infrastructure  • Given the proximity of the mine site to both of the Lhoosk'uz Dene Nation's reserves (~22km from Kluskus IR I and ~18km to Tatelkus Lake IR28 there is a concern over the increased traffic running past Tatelkus Lake IR28. | Tatelkus Lake IR28 and Kluskus IR I are both included in the economic, social, and health assessment local and regional study areas (Figure 4.3-8). Tatelkus Lake IR28 is also included in the study areas for noise and vibration (Figure 4.3-1), air quality and climate change (Figure 4.3-2), and current land and resource use for traditional purposes (4.3-10). As described in Section 5.1.1.3 of the dAIR, Indian Reserves located in the vicinity of the Project will be considered as potential noise receptors. The nearest permanent dwellings are located at the IR Tatelkus Lake 28 and Tatelkuz Lake Resort. Kluskus IR I is not expected to perceive air quality or noise effects due to its location and distance from the mine site and linear components. This is the reason why this IR has not been included for air quality and noise. Section 7.2.3 of the Application will present the effects assessment on regional and community infrastructure present in the SERSA including Indian Reserves. New Gold has carried out research regarding existing traffic volumes as well as potential effects from foreseeable projects to determine the potential impacts on traffic in the area. The residual effects of Project-related incremental traffic are expected to be minor and not significant. The Proponent has a road safety policy that employees are expected to adhere to. Transportation and access management is addressed in the environmental management plans in Section 12.2 of the Application.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and no changes to the dAIR are proposed. |  | Satisfied              |



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| 98.             | G<br>(February<br>2014) | March 11, 2014 Letter       | Neil Gauthreau Natural Resources Lhoosk'uz Dene Nation (LDN)          | 7.2.3 Regional and Community Infrastructure  | #44 - Regional and Community Infrastructure  • Given that the two closest reserves are part of Lhoosk'uz Dene Nation and one is on the direct route to the proposed mine site there is a concern over increased demands for infrastructure such as housing and other related facilities. This Includes Lhoosk'uz Dene Nation members that return home with the hopes of working for New Gold as well as outsiders that come to the area for employment. | Tatelkus Lake IR28 and Kluskus IR I are both included in the economic, social, and health assessment local and regional study areas (Figure 4.3-8). Section 7.2.3 of the Application will present the effects assessment on regional and community infrastructure present in the SERSA including Indian Reserves.  The methodology utilized to determine the project effects on regional and community infrastructure in the study area are:  • Estimating anticipated increase in demand for regional and municipal infrastructure (water supply, water/sewage treatment, landfills, communications, electricity, and recreational facilities) and comparing it to the RSA's current baseline conditions and determining the RSA's ability to absorb the additional demand;  • Estimating anticipated increase in demand for housing and temporary accommodation against the data collected in the baseline regarding RSA's capacity and ability to provide housing and temporary accommodation; and  • Assessing potential additional demands on the transportation network infrastructure in the study area that would occur from proposed Project-related transportation activities and comparing those against current transportation network capacity and user safety.  The Proponent's preference to recruit from within the Socioeconomic Regional Study Area (SERSA), together with the New Gold's plan to provide a camp during the construction and operations phase of the Project and training opportunities, along with competitive work packages, lead to small population impacts in the Local Study Area or the SERSA.  The good capacity of community infrastructure services in Prince George and Vanderhoof, along with their plans to attract new residents, is expected to absorb the potential new demand resulting from Project operations workforce and dependants that choose to relocate (232 people to Prince George and 58 people to Vanderhoof). In addition, the provision of camp accommodations of a good standard that include good social and recreational facilities will mitigate any Pro | Version H: No action required. | Satisfied              |
| 99.             | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 7.2.5 Family and Community<br>Well-being   | #46 Family and Community Well-being  • There is a concern over the potential increased cash flow for community members. Although increased income has many positive aspects, it also has the potential to invite increased drug, alcohol and substance abuse that may not have been possible prior to the increased income  | changes to the dAIR were proposed.  New Gold actively supports community-building and promotes opportunities for economic diversification. The effects assessment on family and community well-being is presented in Section 7.2.5 of the Application. The effects assessment considers the extent to which the potential change in demographics and new project-related income and employment may affect the well-being of families and communities in the study area in terms of economic hardship, crime and family relationships.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and no  | Version H: No action required. | Satisfied              |
| 100.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 7.2.7 Current Land and Resource Use for Traditional Purposes Part C Aboriginal Groups Information Requirements | #50 Cultural Camps  • Cultural Camps are to be held on each of the Keyoh's. This is done in rotation with each family hosting on their Keyoh. However the project has the potential to severely impact one entire keyoh. This makes it difficult if not impossible to host a cultural camp on the Cassam/Baptiste Keyoh   | changes to the dAIR were proposed.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment. New Gold will facilitate access to the mine site to First Nations throughout the life of the project, from construction to post-closure phases, provided that the areas accessed are safe for the activities to be conducted by the First Nations. Mitigation measures related to aboriginal rights and other aboriginal interests will be presented as outlined in section 15 and 16 of the dAIR and as such no changes to the dAIR are proposed.  |                                | Satisfied              |



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| 101.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | Economic Effects 7 Assessment of Potential Health Effects 9 Assessment of Potential Health Effects | Part B - Assessment of Potential Effects, Including Cumulative Effects, Mitigation, and Significance of Residual Effects. Table 4.3-1 Valued Components Candidates and Proposed Spatial Boundaries  P39 #30 Regional and Community Local Study Area includes the Lhoosk'uz Dene Nation reserve Sundayman's Meadow 3 as a populated reserve. Although Lhoosk'uz Dene Nation members have a plan to move back to Sundayman's Meadow IR3 at some point, it is not currently inhabited at this time despite government statistics. At the same time, Lhoosk'uz Dene Nation reserve Tatelkuz Lake 28 is currently inhabited by Lhoosk'uz Dene Nation members, but it is not included in the local study area. The Lhoosk'uz Dene Nation is also giving priority to moving the Baptiste family back to their <i>keyoh</i> on Betty Creek IR18. | A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and this information will be added to Section 14 Aboriginal Baseline of the Application. IR 28 was not included in the Table 4.3-1 because according to Government of Canada Statistics this IR is not inhabited.   | Version H: Table 4.3-1 was updated to include IR-28 in the list of inhabited Indian Reserves included in the Local Study Area for Social and Economic VCs. Figure 4.3-8 was updated to identify the location of IR-28.   | Satisfied              |
| 102.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.1.2.6 Fish and Fish Habitat  | 5.1.2.6 Fish and Fish Habitat     Assessment is directed only at trout, kokanee and mountain whitefish. We would like to see inclusion of char/ling cod in the assessment for Tatelkus Lake. Given their slow maturation and reproduction rates, they may be more susceptible to Impacts.  | A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and based on those discussions it's understood the concern related to the consumptive use of whitefish and other species. As such a country foods monitoring plan will be provided as described in Section 9.2.2 of the dAIR. Rainbow trout and mountain whitefish as well as other fish species will be sampled to track metals concentrations in these species during the life of the Project. Results will be compared to baselines. Baseline metal concentrations for fish species were measured in 2011, 2012, and 2013.   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text:  "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 103.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.1.2.6 Fish and Fish Habitat  | <ul> <li>5.1.2.6 Fish and Fish Habitat There is a concern about the methodology and potential gap in data analysis. In the anticipated results from the fish baseline characterization program, bullet 6 states "where captures are sufficient, summer habitat use is presented by species and life stages" P71. </li> <li>The concern is that should the captures be insufficient there will be missing information in the baseline study. If there is missing information re: summer habitat use and around life stages how will we be able to: a) identify if an impact has occurred? or b) if an Impact has occurred how will we be able to measure the level of the impact? Missing information will not allow us to identify mitigation, or recovery strategies.</li> </ul>  | Bullet 6 on page 71 of version G of the dAIR does not refer to missing information. Instead, it refers to the lack of statistical correlation between the density of juvenile rainbow trout in streams of the LSA and the type of mesohabitat they were captured in. This is due to the low densities of juvenile rainbow trout in streams of the LSA compared to other streams in British Columbia. Low densities are a natural phenomenon caused by low nutrient concentrations (i.e. oligotrophic conditions). The absence of these density-habitat correlations will not affect the ability to identify Project effects on fish and fish habitat or to interpret the results of post-construction environmental monitoring.  This response was reviewed and discussed at a meeting on April 2 <sup>nd</sup> , 2014 between Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold and no changes to the dAIR were required. | Version H: No action required.   | Satisfied              |
| 104.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 5.1.3.4 Wildlife and Wildlife<br>Habitat<br>9.2.2 Environmental Exposures                          | 5.1.3.4 Wildlife and Wildlife Habitat  Mammals: The methodology and proposed for this section relates to documentation of species; potential for proposed activities to affect species and seasonal movements; impacts to their habitat or predator prey   | A country foods monitoring plan will be provided as described in Section 9.2.2 of the dAIR. Rainbow trout and mountain whitefish will be sampled to track metals concentrations in these species during the life of the Project. Results will be compared to baselines. Baseline metal concentrations for fish species were measured in 2011, 2012, and 2013.   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text: "The Application will provide an outline of a monitoring plan for water, plants and animals   | Satisfied              |



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|                 |                         |                             |   |  | numbers.  • In the fish section there will be analysis and documentation of metal/chemical buildup in fish tissue for the baseline. Given the large tailings facility and potential for AL/ARD from the mine site itself, it would be good to have a baseline of metal/chemical buildup in mammal tissues as well. The concern is contamination from the tailings facility, and the wetlands to be constructed post-closure. Wetlands are a great sponge for removing contamination; however, wetlands are also attractive habitat for wildlife such as moose. In turn moose are consumed in large amounts by the Lhoosk'uz Dene Nation.  | Details of a proposed sampling program for large mammals (such as Moose) will be discussed with First Nations, community members, and Agencies prior to the initiation of monitoring. Viable samples of harvested muscle tissue and sampling processes will be determined to ensure required samples for metals testing are collected in a usable form. Collection will be undertaken by First Nations hunters and provided to the Proponent under agreed handling methods.  A meeting took place on April 2 <sup>nd</sup> , 2014 to discuss the comment and response with Lhoosk'uz Dene Nation. Lhoosk'uz Dene Nation agreed with the proposed response. | sampled including but not limited to whitefish,   |                        |
| 105.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) |  | 5.4.10 Moose (Alces Alces) In the fish section there will be analysis and documentation of metal/chemical buildup in fish tissue for the baseline. Given the large tailings facility and potential for AL/ARD from the mine site itself, it would be good to have a baseline of metal/chemical buildup in mammal tissues as well. The concern is contamination from the tailings facility, and the wetlands to be constructed post-closure. Wetlands are a great sponge for removing contamination; however, wetlands are also attractive habitat for wildlife such as moose. In turn moose are consumed in large amounts by the Lhoosk'uz Dene Nation.   | Troponent under agreed handling methods.   | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text: "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 106.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 7.2.7 Current Land and<br>Resource Use for Traditional<br>Purposes | <ul> <li>7.2.7 Current Land and Resource Use for Traditional Purposes</li> <li>It is essential that this section includes both Aboriginal Rights AND Aboriginal Title as an assessment factor. Social organization for all Carrier groups around proposed project is based on the <i>Keyoh</i> or <i>Keyah</i> (Ulkatcho dialect). The <i>keyoh</i> is a tract of land that is communally held by the family. Each band member belongs to a <i>keyoh</i> and each <i>keyoh</i> is reserved for the exclusive use and occupancy of the extended family. The very nature of a <i>Keyoh</i> dictates that families and individual band members are not simply allowed to harvest resources across the land at will. Permission must be sought before one can enter and use another family's <i>keyoh</i>. Resources affected in one <i>keyoh</i> have the potential to affect the extended family. If that extended family is forced to seek traditionally used resources elsewhere, there is the potential to have further breakdowns in the social organization of the Lhoosk'uz Dene Nation. Therefore, if you exclude Aboriginal Title as an analysis factor vou will get a misleading assessment of the potential impacts to Aboriginal Interests.</li> </ul> | Section 15 of the Application will discuss the potential effects of the Project on the Keyoh structure where information is made available by Aboriginal Groups.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and the BC EAO was to follow up with LDN.  | Version H: No action required.  | Satisfied              |



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| 107.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) |   | 7.2.7.3 Potential Effects of the Proposed Project and Proposed Mitigation  This subsection proposes to provide and assessment that considers "potential restrictions on access to land and resources, change in amount of resources available and sensory disturbances. The assessment will consider assessments and mitigations developed in other sections of the Applications (e.g. fish and fish habitat, ecosystem composition, moose, etc.)." p152  • The problem is that it does not include Aboriginal Title as a factor in the assessment e.g. the Keyoh as outlined above. Any discussion on the potential impacts/mitigation/residual effects to Aboriginal Interests that excludes the Keyoh system is incomplete.   | Section 15 of the Application will discuss the potential effects of the Project on the Keyoh structure where information is made available by Aboriginal Groups.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and the BC EAO was to follow up with LDN.   |  | Satisfied              |
| 108.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) | 9.2.2.3 Potential Effects of the Proposed Project and Proposed Mitigation | 9 Assessment of Potential Health Effects, 9.2.2.3 Potential Effects of the Proposed Project and Proposed Mitigation Bullet 5 "Dustfall and deposition of contaminants of potential concern to soils will be modeled, such that future concentrations in fish, wild game, and plant tissue can be predicted, and carried through to the human risk assessment."  • It would be nice to have a baseline of the current state of contaminants in the muscle tissue of mammals that the Lhoosk'uz Dene Nation relies upon as a food source - namely moose and deer. Caribou and Mountain sheep are not used as often due to the difficulty in obtaining these species. This makes them a delicacy for the Lhoosk'uz Dene Nation. Baseline samples would be good to have for these species as well.   | A country foods monitoring plan will be provided as described in Section 9.2.2 of the dAIR. Details of a proposed sampling program for large mammals (such as Moose) will be discussed with First Nations, community members, and Agencies prior to the initiation of monitoring. Viable samples of harvested muscle tissue and sampling processes will be determined to ensure required samples for metals testing are collected in a usable form. Collection will be undertaken by First Nations hunters and provided to the Proponent under agreed handling methods.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment including the use of mountain sheep. Given the absence of mountain sheep habitat and use around the mine footprint changes to the dAIR will be made related to the country foods monitoring plan only. | Version H: Section 9.2.2 has been updated. The bullet "propose a monitoring plan for country foods" has been replaced with the following text:  "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." | Satisfied              |
| 109.            | G<br>(February<br>2014) | March 11,<br>2014<br>Letter | Neil Gauthreau<br>Natural Resources<br>Lhoosk'uz Dene<br>Nation (LDN) |   | Part C - Aboriginal Groups Information Requirements The guidelines of this section are missing a key component: Aboriginal Title. This section must include a discussion on the <i>Keyoh</i> system. This is because the <i>keyoh</i> system affects the daily lives of all Carrier peoples in and around the project area.  The <i>keyoh</i> is a tract of land that is communally held for the extended family group. It is for their exclusive use and occupancy. Every band member belongs to a <i>keyoh</i> , and each <i>keyoh</i> , or <i>keyah</i> in Ulkatcho dialect, is controlled by a headman called a <i>detsa</i> . The Lhoosk'uz Dene Nation are patrilineal, therefore, the <i>detsa</i> is often the eldest son in the family. The <i>detsa</i> is the one that makes the decisions on the use of the <i>keyoh</i> . He decides where people hunt, trap, and who can enter onto the family territory. Should a band member leave the Nation they were born into and become a member of another band, he or she does not take the <i>keyoh</i> with them; it remains the communal property of the rest of the family. The sum of the <i>keyoh</i> 's determines the extent of the Traditional Territory Boundary. | Section 15 of the Application will discuss the potential effects of the Project on the Keyoh structure where information is made available by Aboriginal Groups.  A meeting took place on April 2 <sup>nd</sup> , 2014 with the Lhoosk'uz Dene Nation, CEA Agency, BC EAO and New Gold to discuss the comment and the BC EAO was to follow up with LDN.   |  | Satisfied              |



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|                 | AIR                     |                 | Author of Comment |                           | because it is incorporated in and effects:  • The governance structure. The Lhoosk'uz Dene Nation governance remains based on Traditional Custom where each family has a representative, or detsa, to speak for them. These are our Councilors. Like the Chief they are elected in by a majority vote and remain in power until they are removed via a majority vote in a referendum, step down, or pass on.  • Family and cultural practices. The keyoh is the social organization structure for the Carrier groups in and around the Project area. The keyoh is a governance structure and cultural practice that divides up the territory to ensure that each family member has a land base and the resources it needs to survive.  • Community well-being. Continued breakdown of the keyoh system affects the entire community because the keyoh forms the basis of Carrier social organization. It provides the context for how members fit into the community. Traditional laws and customs around the keyoh structure how they interact with each other and the land.  • Land use setting and planning. The traditional territory of the Lhoosk'uz Dene Nation is the sum of its kevohs. It is how people know where they are allowed to hunt fish and trap. It is how people understand and interact with the land. A severe environmental impact to one keyoh has the potential to impact the whole community. This is because the family members from the keyoh must now seek a new land base to fulfill family needs. However, because the keyoh is for the exclusive use and occupancy of the family, those that lost their keyoh cannot simply move to another territory. Doing so without permission from the detsa, or headman, invites | Proponent Response | Action dAIR |                        |
|                 |                         |                 |                   |                           | <ul> <li>conflict.</li> <li>Economic setting. The keyoh is a land base that provides the economic needs for the family. Although trapping rates have reduced significantly, the fur trade provides an excellent example of how people use the land for their economic needs. Again, the keyoh is for the family's exclusive use and occupancy. Crossing over into another family's keyoh to trap without permission creates conflict because you are directly taking money out of that family's pocket.</li> <li>Traditional land use and traditional knowledge. All land use within the Lhoosk'uz Dene Nation is governed by the keyoh. It determines where people are allowed to hunt, fish, and trap. This affects the traditional knowledge because families would spend the majority of their time in the keyoh. Those from outside the keyoh are not likely to have the same intimate knowledge of a keyoh as the family members that it belongs to.</li> <li>With the above in mind, it is essential that any analysis of the potential effects incorporate Aboriginal Title. Excluding it leaves you with a conclusion based on an incomplete understanding of the issues at hand. It is also why we have formally requested in writing that Aboriginal Rights and Aboriginal Title be included as a Valued Component, not as a separate section isolated from the rest.</li> </ul>   |                    |             |                        |



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| 110.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General   | We are concerned that there are significant gaps in the DAIR that, if not addressed, would result in the Blackwater Project ("the Project") being assessed without properly or adequately addressing LDN Aboriginal rights.   | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the relationship between the sections of the dAIR pertaining to Aboriginal Interests (asserted or established Aboriginal Rights, including title) and other sections of the document.                                    | n/a   | Satisfied              |
| 111.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4.2 Identification and<br>Selection of Valued<br>Components | An overarching concern relates to the separation of Aboriginal Rights assessment in the DAIR from the assessment of selected Valued Components ("VC's) set out in Table 4.2-1. The VC's and the identified indicators for assessment do not directly engage or address Aboriginal rights considerations or concerns, either substantially or methodologically.  | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the process on selection of Valued Components and indicates that it is possible for an issue to be wholly addressed in Part C of the Application and that it's not covered by a related VC in Part B of the Application. | n/a   | Satisfied              |
| 112.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 15 Aboriginal Rights  | It is unclear whether the 'stand alone' section 15 of the DAIR is the only aspect of the assessment that takes Aboriginal rights into consideration, or if it is intended to work in tandem with other sections of the DAIR. In any event, the approach set out in section 15 is wholly inadequate as a framework for the assessment of the impacts of the Project on LDN Aboriginal rights.  | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the relationship between the sections of the dAIR pertaining to Aboriginal Interests (asserted or established Aboriginal Rights, including title) and other sections of the document.                                    | n/a   | Satisfied              |
| 113.         | F<br>(September<br>2013) | October 28, 2013<br>Letter    | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4.2 Identification and Selection of Valued Components       | Inadequacy of the VC's  If the assessment of the Project impacts on the VC's set out in Table 4.2-1 is intended to meaningfully assess impacts or Aboriginal rights, there are a number of shortcomings in the DAIR. As a substantive concern, the indicator species for assessment do not reflect species of significance to LDN and do not provide justification for the exclusion of certain species. For example, the VC 'fish' identifies Rainbow trout and kokanee as the indicator species for assessment. There are a number of other fish species of significance to LDN that may be impacted by the Project, including but not limited to, whitefish, lingcod and char. | and currently is being harvested in the local study area (LSA) by LDN members based on information obtained to-date and because the project will generate an effect on trout habitat within the mine site. Kokanee was selected because it historically was and currently is being harvested in the local study area by LDN members based on information obtained to-date.                     |   | Satisfied              |
|              |                          |                               |   |   |   | Follow-up comment: A meeting took place on April 2 <sup>nd</sup> , 2014 to discuss the with Lhoosk'uz Dene Nation. The focus of the assessment of Mountain whitefish lies on the consumptive use as a food source. A country foods monitoring plan will be provided as described in Section  | The bullet "propose a monitoring plan for country foods" has been replaced with the |                        |



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|              |                          |                               |   |   |   |   | "The Application will provide an outline of a monitoring plan for water, plants and animals that maybe consumed in the area of the mine site and/or downstream of the mine site. The plan will outline the proposed species to be sampled including but not limited to whitefish, moose and berry producing plant species, the general location of sampling, duration and frequency of monitoring including preoperations and throughout the mine life and propose how the plan will be developed, implemented and results communicated with First Nations, community members and Agencies prior to the initiation of any monitoring." |                        |
| 114.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4.2 Identification and<br>Selection of Valued<br>Components | As another example, the only indicator species for the VC denoted as 'furbearers' is marten. There are many other furbearing species of importance to LDN trappers, for example beaver, for which marten does not appear to be a suitable proxy for assessment. | Agree with comment. Beaver will be added as a new indicator species for the assessment of Furbearers. The assessment of effects on beaver will be based on wetlands, which is the preferred habitat.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the process on selection of Valued Components and indicates that it is possible for an issue to be wholly addressed in Part C of the Application and that it's not covered by a related VC in Part B of the Application.   | Version G: Section 4.2 was edited to include a new indicator (beaver) for the Furbearers VC.   | Satisfied              |
| 115.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Components  | As a further example, it appears that only plant species listed as species at risk under the Species At Risk Act (SARA) are being specifically assessed. This excludes from the assessment a large number of plant species of significance to LDN.              | Agree with comment.  Based on information collected during interviews and secondary research with Aboriginal Groups regarding plant harvesting (Section 14, Aboriginal Groups Background Information), berry-producing plants were selected to represent traditional use plants. Traditional use plant habitat information was derived from baseline plot data that included plant species presence and abundance. Plant species that were berry-producing and occurred within the project area were selected and correlated to site series. Using the ecosystem map potential berry- producing areas were identified.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the process on selection of Valued Components and indicates that it is possible for an issue to be wholly addressed in Part C of the Application and that it's not covered by a related VC in Part B of the Application. | Version G: Section 5.4.5– Ecosystem Composition was updated to include a new indicator titled: Traditional use plant habitat   | Satisfied              |



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| 116.            | F (September 2013)       | October 28, 2013<br>Letter    | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment<br>Methodology | As a methodology concern, adverse impacts on Aboriginal rights cannot be meaningfully assessed by using the effect on a biophysical component of the environment as a proxy for effects on rights. This approach assumes that if a study is undertaken on a biophysical component of the environment (for example, fish or fish habitat), the significance of indicated effects can be used to assess the significance of the effect on the exercise of an Aboriginal right. If an adverse effect is noted on fish or fish habitat used for the purpose of exercising an Aboriginal right, it is inferred that there is a corresponding adverse effect on the exercise of the right. Conversely, if no adverse effect is indicated on the biophysical component, it is assumed that there would be no adverse effect on the exercise of the right. This logic is faulty for a number of reasons.  First, it ignores the fact that an effect to a biophysical component may be seemingly acceptable in size and scope to a non-Aboriginal use, but may be unacceptable depending on the nature and location of the Aboriginal usage. For example, an adverse effect to fish which does not affect the overall viability of that population of fish species may be considered acceptable; however, the same effect may render fish unsuitable for the purposes of personal consumption in the context of the exercise of an Aboriginal right in a particular area. Similarly, a situation could result where harvesters cannot exercise their rights in their preferred locations, using their preferred means. This is particularly so given the fact that there may be issues of whether the resources is still perceived to be suitable or even safe for food, social, ceremonial or trade purposes as a result of Project effects, or perceived Project effects associated with contamination risks. A properly designed and implemented environmental assessment should reflect this. Second, this approach ignores the fact that effects on the exercise of Aboriginal rights flowing from the Project footprint. The dAIR | Agree with Comment. A new VC named "Current Land and Resource Use for Traditional Purposes" was added to Section 7.2.7 to support the assessment of potential effects on current LDN land uses such as harvesting or use of sacred places.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains how VCs feed into the assessments of effects on Aboriginal Interests (asserted or established Aboriginal rights, including title). It also explains the relationship between the sections of the dAIR pertaining to Aboriginal Interests and other sections of the document. The methodology for significance assessment for VCs will not be simply applied to effects on Aboriginal Interests. In specifically BCEAO is not requiring the proponent to make a determination on whether a potential adverse effect to Aboriginal interest is significant. |             | Satisfied              |
| 117.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment<br>Methodology | We are concerned that the DAIR as drafted is too narrowly focused on biophysical effects and therefore excludes the cultural and social aspects of these effects.  | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter addresses the selection of VCs and indicates that to the extent that LDN concerns relate to its Aboriginal interests, it is appropriate that this assessment will be required in Part C of the dAIR and not as a VC in Part B.  | n/a         | Satisfied              |



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| 118.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment Methodology Section 14-16 Aboriginal Groups Background Information, Aboriginal Rights, Other Aboriginal Interests | In order to meaningfully assess the impact of the Project on LDN's rights, we have identified the following VC's which should be included in the DAIR:  1. Harvesting; 2. Governance/Stewardship; 3. Cultural Identity; and 4. Sacred Places.  Each of the proposed VC's represents an aspect of one of the five pillars of the <i>British Columbia Environmental Assessment Act</i> ("BCEAA"): environment/biophysical, economic, social, heritage and health. Each is a receptor and susceptible to adverse effects resulting from Project - VC interactions, and is of significance to LDN and the exercise of our Aboriginal Rights.   | Comment noted. A new VC was added to the Social pillar in Section 7.2.7. titled "Current Land and Resource Use for Traditional Purposes" to support the assessment of potential effects on current LDN land uses such as harvesting or use of sacred places.  The assessment considers the potential effects of the proposed Project and activities on current land and resource use for traditional purposes within the defined study areas in relation to:  Changes in hunting and trapping activities;  Changes in fishing activities;  Changes in Plant gathering activities;  Changes in other cultural and traditional uses of the land (e.g. cultural and spiritual places, trails, navigation).  Cultural identity and governance/stewardship is not proposed to be included in the effects assessment although some baseline information is presented in Section 14. These pertain to broad concepts and to accurately assess effects, specific concerns would need to be identified and a valid link to the project demonstrated. New Gold will continue to work with LDN to identify specific concerns and develop approaches to mitigate those concerns.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter states that with respect to governance/stewardship and cultural identity, BCEAO understands that these are matters of importance to LDN. However, because of the general nature, they raised difficulties in relation to current assessment methodologies and the feasibility finding ways to measure potential project effects on these proposed VCs. | Version G: Section 7.2.7 was revised and includes a new VC called "Current Land and Resource Use for Traditional Purposes". | Satisfied              |
| 119.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 3.1.2 Provincial EA Process  | Cumulative Effects  We are also concerned that the Section 11 Order on its face distinguishes Aboriginal Interests from other VC's in describing the scope of the assessment to be carried out. Section 3.1.2 does not include an express requirement that cumulative effects be considered in relation to effects on Aboriginal rights. This is in contrast to section 3.1.1 which does explicitly require consideration of cumulative effects in respect of non-Aboriginal interests. While the Section 11 order has been issued, the Executive Director has the statutory power to correct this shortcoming under section 13 of the BCEAA. The Executive Director can also ensure, to the extent possible, that these issues are addressed in the DAIR in the context of factors that are subject to cumulative effects assessment.   | Aboriginal Rights, including title). It states that the assessment of cumulative effects as set out in section 3.1.1 of the Section 11 Order will provide  | n/a   | Satisfied              |
| 120.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General  | Our concerns about this are two-fold. First, we believe that this leads to a potential conflict with the jurisprudence concerning the duty to consult. In West Moberly First Nations v. British Columbia, 2011 BCCA 247, the Court of Appeal agreed that the consideration of cumulative effects is pertinent to the proper assessment of the significance of the impact of a government decision on Aboriginal rights for the purpose of determining the depth of consultation needed in a particular case and to assess whether accommodation is necessary. Thus to the extent that the Crown is attempting to use the environmental assessment process as the core mechanism to discharge the information gathering aspects of the duty to consult (a position with which LDN does not agree), the approach contemplated for this EA would mark a very serious departure from what the case law requires. | BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter states that in BCEAO's assessment report, BCEAO will conclude on the seriousness of potential effects on Aboriginal interests for each Aboriginal group, considering relevant case law, information provided in the proponent's application, and additional information gather through BCEAO's consultation with LDN.  | n/a   | Satisfied              |



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| 121.            | F<br>(September<br>2013) | October 28, 2013<br>Letter    | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General                   | The approach taken to the assessment of biophysical effects and cumulative effects creates a very problematic situation in respect of the assessment of adverse effects on Aboriginal rights. The approach taken to assess the size and scope of an adverse effect on a VC will tend to under- estimate or effectively ignore adverse effects on these resources that have an adverse impact on the exercise of our Aboriginal rights and the current use of lands and resources for traditional purposes. For example, as discussed above, assumptions made with respect to the significance of local effects may in fact be very significant in respect of the actual practice of Aboriginal rights (that is, current land use activities which are exercised locally). These assumptions permeate the DAIR and tend to understate, or underestimate, or simply fail to measure effects on Aboriginal rights. The reality is that an assessment of effects on a regional or landscape level will often simply ignore or overlook the fact that Aboriginal rights are commonly practiced in very specific locations or are dependent upon very specific populations of fauna or flora. Similarly, the significance of an effect on the intergenerational transmission of a practice may be very great even if the affected resource is restored to pre-disturbance levels over an extended period of time. That is, if a resource is restored to pre-disturbance levels in 100 years, this may reduce the significance of the effect at a biophysical level, but may have devastating effects in terms of the ability of our Nation to transmit our culture, way of life, and continued use of lands and resources to future generations. | BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains how VCs feed into the assessments of effects on Aboriginal Interests (asserted or established Aboriginal rights, including title). It also explains the relationship between the sections of the dAIR pertaining to Aboriginal Interests and other sections of the document. The methodology for significance assessment for VCs will not be simply applied to effects on Aboriginal Interests. In specifically BCEAO is not requiring the proponent to make a determination on whether a potential adverse effect to Aboriginal interest is significant.  A new VC was added to the Social pillar in Section 7.2.7. titled "Current Land and Resource Use for Traditional Purposes" |             | Satisfied              |
| 122.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General                   | This has a consequential result in respect of the assessment of cumulative effects. Under existing environmental assessment methodologies used by the EAO, cumulative effects assessment depends upon the identification of residual effects. While we expressed our concerns about the approach adopted by the EAO in respect of the assessment of cumulative effects, the EAO's focus on the identification of significant residual effects makes it critical that effects and their significance are properly assessed with a view to Aboriginal rights, including title, and the current use of land and resources for traditional purposes and the maintenance of our distinct culture. Given that the proposed approach to assessing the significance of these effects on these factors would underestimate and understate their significance, it is likely that significant residual effects will not be identified. Since the proposed approach in the DAIR is to not directly assess the significance of impacts on Aboriginal rights at all, there will be no clear and direct effort made to assess the potential for significant residual impacts (including cumulative effects) on Aboriginal rights. This reinforces the importance of ensuring that the environmental assessment requires appropriate assessment of impacts on Aboriginal lights, including title, to be carried out.   |   | n/a         | Satisfied              |



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| 123.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment<br>Methodology<br>Section 15 Aboriginal Rights<br>Section 16 Other Aboriginal<br>Interests | As noted above, it is unclear what the relationship is between the assessment process, method and information requirements under the VC's section and the Aboriginal rights section in the DAIR. In order to provide meaningful input into the DAIR, we require this clarity. Regardless of the relationship between the two, there are clearly a number of gaps which need to be understood and addressed. The Aboriginal rights section gives no indication as to the proposed spatial scoping of the assessment. | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter addresses the relationship between the sections of the dAIR pertaining to Aboriginal interests and other sections of the document, and how VCs feed into the assessment of effects on Aboriginal interests.   | n/a   | Satisfied              |
| 124.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment<br>Methodology   | As discussed above, the indicator species selected for terrestrial and marine resources do not reflect LDN input. Until this occurs, we are not in a position to comment on the spatial scoping (appropriate local and regional study areas).   | The Aboriginal Groups Consultation Plan (provided to LDN) proposes a consultation approach with Aboriginal Groups. As summarized in the Plan, New Gold continues to meet with Aboriginal Groups, including LDN, to describe environmental studies underway. In April 2013, the Working Group (including LDN) was provided with copies of the dAIR. Comments from LDN on this version of the dAIR were received and addressed.  A companion document was also provided in April 2013, which presents the rationale for VC Candidates. An updated companion document will be provided with version G of the dAIR that will explain the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment. | Version G: No action required.  | Satisfied              |
| 125.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General   | Our initial review suggests that the areas indicated in the DAIR may be too narrowly scoped in some cases. We therefore require further engagement with the Crown and the Project proponent in order to discuss appropriate scoping/study areas with respect to the Aboriginal rights assessment section, the exiting VC's and the four additional VC's which we have proposed for inclusion.   |  | Version G: Section 7 was revised and includes a new VC called Current Land and Resource Use for Traditional Purposes. | Satisfied              |
| 126.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 4 Assessment<br>Methodology   | Significance Determination Similar to our concerns regarding spatial scoping, the Aboriginal rights section of the DAIR does not indicate what (if any) methodology will be applied to determine the acceptability of the effect of the Project on Aboriginal rights, whether in terms of "significance" or some other threshold. With respect to the identified VC's, to the extent that they will be utilized to assess Project impacts   | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains how VCs feed into the assessments of effects on Aboriginal Interests (asserted or established Aboriginal rights, including title). It also explains the relationship between the sections of the dAIR pertaining to Aboriginal Interests and other sections of the document. The methodology for significance assessment for VCs will not  |   | Satisfied              |



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|              |                          |                               |   |                           | on our Aboriginal rights and the Crown's corresponding duty to consult with and accommodate LDN, a threshold of "significance" is an inappropriate measure.  "Significance" is neither the trigger for consultation, nor the test for an infringement of Aboriginal rights. More appropriate thresholds, and criteria for characterizing the acceptability of Project effects, need to be delineated for assessing impacts to rights, and should reflect the need to consider things like preferred means and places for exercising rights. Appropriate sources of information need to be used when establishing the criteria and thresholds for assessing potential impacts to rights, such as traditional ecological knowledge, traditional use data, anthropological and ethno-historical resources and other relevant studies. Given this significant flaw in the methodology that is being adopted, the proponent should be directed to revisit its development of the VCs and eliminate the concept of a Part C assessment that does not include an assessment of the acceptability of the effect of the Project on Aboriginal rights and interests.  | adverse effect to Aboriginal interest is significant.   |             |                        |
| 127.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General                   | Fiscal Support for First Nations Costs of Participation and Information Gathering  LDN is being required to incur substantial costs to engage with the Project proponent and to meaningfully participate in the assessment of the Project. The proponent is required to obtain information from LDN to fulfill the statutory and regulatory requirements of the federal and provincial environmental assessment processes. This information is to be used to further the proponent's goals of satisfying the statutory requirements and advance the Projects toward approval. The process of gathering and analyzing this information so that it can be provided to the proponent for use in its application is expensive and time consuming. It requires the dedication of administrative time at LDN, as well as the costs associated with retaining consultants and legal advisors to participate in the process. LDN does not have the option of declining to participate since the result would be that our interests would be neglected in the assessment.  | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the fiscal support for First Nation's cost of participation and information gathering. The letter also states that while BCEAO may encourage proponents to provide such funding, consistent with government-wide policy based on interpretation of jurisprudence, BCEAO does not direct proponent's to provide such funds. BCEAO has provided capacity funding to LDN for participation in the Pre-Application stage of the environmental assessment. | n/a         | Satisfied              |
| 128.         | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General                   | It is our view that the Executive Director should make it clear in the Section 11 Order (and amend it if need be) that the proponent is required to provide reasonable capacity to cover the costs of LDN to participate in the EA process. This includes capacity for the investment of internal time by band officials and employees, compensation for TUS/TK/TLU consultants and for legal advice as well as associated disbursement and costs. This is clearly within the mandate of the EAO as Section 11 provides that the Executive Director has broad powers to determine the process by which the assessment is to be conducted, including what third parties are to be consulted and the means by which such consultation is to be carried out. This is generally consistent with the principle that the costs of the assessment should be carried by project proponents and not by members of the public. Further, it would be inconsistent with the honour of the Crown to establish a process for participation which is essentially inaccessible to First Nations because of costs, or which imposes significant costs on First Nations which essentially accrue to the benefit of a proponent. | BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the fiscal support for First Nation's cost of participation and information gathering. The letter also states that while BCEAO may encourage proponents to provide such funding, consistent with government-wide policy based on interpretation of jurisprudence, BCEAO does not direct proponent's to provide such funds. BCEAO has provided capacity funding to LDN for participation in the Pre-Application stage of the environmental assessment.                                      | n/a         | Satisfied              |



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| Comment<br>ID # | Draft<br>AIR<br>Version  | Date of Comment               | Author of Comment                                       | dAIR Version<br>Reference                                  | Comment   | Proponent Response  | Action dAIR   | EAO Comment |
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| 129.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | Section 2.2.1 Purpose and Location of the Proposed Project | Proximity of LDN to the Project Area and Potential for Impacts  It is very important to note that the Blackwater Project is proposed in a pristine area that is in the heart of LDN traditional territory and is in very close proximity to several of our reserves, including our main village site, as listed below:  - 12 km to Tatelkuz Lake (IR 28)  - 14 km to Kushya Creek (IR 7)  - 19 km to Tsachla Lake (IR 8)  - 22 km to Kluskus (IR 1)  - 22 km to Tzetzi Lake (IR 11)   | BCEAO prepared a letter in response to this comment which was sent to   | Version G: Section 2.2.1 was revised to recognize that the Project is located within Traditional Territories of First Nations and will provide a more thorough list of the closest Indian Reserves. | Satisfied   |
| 130.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General  | An Ethno history of Lhoosk'uz Dene Nation Traditional Territory was recently prepared by Archaeo Research Ltd. It is a comprehensive study of LDN traditional use, occupancy and governance our traditional territory, including the proposed Project lands. In particular, it demonstrates the exclusivity of our Aboriginal rights within our territorial boundary. We have provided the study to the Project proponent subject to a confidentiality agreement. We expect to be in a position to provide a non-confidential version to the BCEAO and CEAA in the very near future, The study, and associated information which has been complied to date, indicate that the Project will have very significant impacts on LDN rights. | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter states that the ethnographic report mentioned in the comment has been provided to the Ministry of Forests, Lands, Natural Resources and Mineral Operations, who shared the report with BCEAO. BCEAO will consider this additional information in refining the understanding of LDN 's Aboriginal interest. | n/a   | Satisfied   |
| 131.            | F<br>(September<br>2013) | October 28,<br>2013<br>Letter | Chief Liliane Squinas<br>Lhoosk'uz Dene<br>Nation (LDN) | General  | We look forward to hearing from you shortly on these important matters. We ask that no decision be made in relation to finalizing the DAIR until there has been meaningful engagement with LDN about our issues and concerns.   | This comment is directed to BC EAO.  BCEAO prepared a letter in response to this comment which was sent to LDN on January 24 <sup>th</sup> 2014. This letter explains the next steps for finalizing the dAIR.   | n/a   | Satisfied   |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                  | dAIR Version<br>Reference               | Comment  | Proponent Response  | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|--|---|--|---|--|--------------------|
| 1.              |                         | Transport Canada,<br>Paula Doucette,<br>May 24, 2013 | Page ii                                 | ,  | At the time of the dAIR submission, HC and NRCan had not been contacted. Both HC and NRCan are members of the Working Group and are currently engaged in the review of the dAIR.  | Version D: No action required.   | Satisfied          |
|                 |                         |  |   |  | Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented.  The dAIR Version G lists Health Canada (HC) and Natural Resources Canada (NRCan) as stakeholders in the preface of the Application Information Requirements.  |  |                    |
| 2.              |                         | Transport Canada,<br>Paula Doucette,<br>May 24, 2013 | Section 2.2.3, page 7                   |  | Comment noted.  Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAIR comment and response.  Clarification was provided by New Gold that all substances that apply to the project and are listed in the Transportation of Dangerous Goods (TDG) Act will be indicated in the Application and that NG will make sure all applicable regulations and guidelines are considered.  New Gold has advised EAO that a transload facility as described in the Project Description is no longer being considered as a component of the Project. The transload facility has been removed from the dAIR version G. | Version D: Dimensions and/or Capacity in Table 2.2-1 for Transload facility (Section 2.2.3 of the DAIR), was revised with the text:  A transload facility associated with the railway will be established to receive materials for use on the Project. These materials received by rail will be transferred to trucks for transport to the mine site.  Version G: The transload facility has been removed from the dAIR version G.   | Satisfied          |
| 3.              |                         | Paula Doucette,                                      | Section 2.4,<br>page 15, table<br>2.4.1 | TC recommends adding the following text to the Permit column, "Navigable Waters Protection Act s23 Governor In Council Exemption". TC recommends adding the following text to the Rationale column, "deposition of mine tailings into Navigable Waters". | No follow-up action was identified with respect to response and dAIR action presented.  Comment noted.  Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAIR comment and response.  No follow-up action was identified with respect to response and dAIR action presented. Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".   | Version D: Section 2.4, Table 2.4.1 was updated with the following text:  Permit / License Responsible column: Navigable Waters Protection Act s23 Governor In Council Exemption; and Rationale column: Section 23 allows for any water or any part of which are navigable or that flow into any navigable water to be exempted in whole or in part from the operation of sections 21 and 22 of the Navigable Waters Protection Act that prohibit the throwing or depositing of material in any navigable water. An Order in Council (OIC) must first be approved for a Proclamation of exemption to be issued. Potentially required if Davidson Creek where mine tailings material are planned to be deposited, is considered to be navigable waters protected under the Navigable Waters Protection Act.  Version G: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project". |                    |
| 4.              |                         | Transport Canada,<br>Paula Doucette,<br>May 24, 2013 | Section 2.5,<br>page 16                 | should be cited as a methodology for assessment.   | Agree with comment.  Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAIR comment and response.  | Version D: The following reference will be added to Section 2.5 of the dAIR: The alternative to the Project as a whole will also be assessed in the Application according to the Agency's Operational Policy Statement Addressing "Need for," "Purpose of," "Alternatives to," and "Alternative Means"   | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference | Comment | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|-------------------------------------|---------------------------|---------|--|--|--------------------|
|                 |                         |                                     |                           |         | No follow-up action was identified with respect to response and dAIR action presented. | under the Canadian Environmental Assessment Act (Agency 2007).  Version G: The reference to the Agency's Operational Policy Statement (OPS) published by CEAA in December 2013 "Addressing "Purpose of" and "Alternative Means" under the Canadian Environmental Assessment Act, 2012" has been removed from the dAIR. |                    |



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| C Transport Canada,                       |  |  |  |           |
|---|--|--|--|-----------|
| (April 2013) Paula Doucette, May 24, 2013 | Waters section (within Section 7) should contain th following information: | considered in the Application as an indicator to the assessment of potential effects on non- transport and resource use VC. The Minor Works and Waters Order Guide will be wingable of comment. Potential effects of the Project on navigation, such as an effect on the public's right in avigate, and change of flow impacting the public's use of the waterway, will be considered in the comment. Potential effects on navigation will be carried out by collecting and analyzing the required information. Need for obtaining a Navigable Waters Protection Act 232 Governor In Council Exemption for the use of the upper reaches of Davidson Creek for mine tailings deposition will be assessed and results described in the Application.  In the information required in the comment is being used to assess effects on navigation. For waterbodies where the Project may cause an effect on avigation, the information will be included in Section 7 of the Application.  An assessment of waterbodies that may be affected by erosion protection works resulting from were road work and upgrades to the existing road systems will be provided in tabular form.  In the event that sections 22/23 of the Navigable Waters Protection Act are applicable to the Project, specific information requirements on the Proclamation of exemption process relating to section 23 of the Navigable Waters Protection Act are applicable to the Project, specific information requirements on the Proclamation of exemption process relating to section 23 of the Navigable Waters Protection Act are applicable to the Project, specific information requirements on the Proclamation of exemption process relating to section 23 of the Navigable Waters Protection Act are applicable to the Project, specific information requirements on the Proclamation of exemption process relating to section 23 of the Navigable Waters Protection Act are applicable to the Project, specific information in the provided in the Navigable waters  A follow-up meeting was conducted on July 16, 2013 as well as a site visit l | The following methods are used to complete the compilation of available baseline information:  Information from various government, commercial and private websites, guidance documents, acts, regulations and reports are reviewed;  Land and resource uses considered in this section include:  Navigable waters use  Revise text in Sections 4.1.4.1 and 7.2.8.2 to include:  Navigable waters use  Version G: The updates made to Version D have been removed from dAIR Version G.  The following text of dAIR version G addresses the | Satisfied |



| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                  | dAIR Version<br>Reference | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|--|---------------------------|--|--|---|--------------------|
| 6.              |                         | Transport Canada,<br>Paula Doucette,<br>May 24, 2013 | 101                       | with the construction of any upgrades or new rail spurs and transportation of any dangerous goods. Dangerous Goods must be handled, offered for transport and transported in accordance with the Transport Canada TDG Act/Regulations.  There is a regulated Emergency Response Assistance Plan (ERAP) program (Part 7 of the TDG Regulations) that requires a company transporting certain types of DGs to have an ERAP before they can be transported. The ERAP must be approved by TC and the company must have received a registration number from TC before they are allowed to ship ERAP-able products. Anyone who handles, offers for transport, imports and/or transports DGs must comply with TDG regulations – this includes holding a valid TDG certificate, completing the appropriate documentation, using the proper means of containment, reporting any reportable spills and holding a valid ERAP when required.  Also within this section, an evaluation of any environmental effects as a result of the construction of the potential airstrip should be included. TC would require a description of the level and type of air traffic anticipated. TC's Aerodrome Safety Branch will need to review any proposed airstrips to assess lighting and/or markings that will be required for the purposes of airside safety. Note: any scheduled service provided to the public would require the aerodrome to be certified. TC would also require a description of whether or not there will be an instrument approach procedure designed for the aerodrome. The proponent should contact TC's Civil Aviation office at 604-666-8777 if the proponent wishes to have the aerodrome registered. If the aerodrome remains uncertified, TC advises that although not mandatory, the standards contained in TP312 should be followed because they reflect internationally recognized minimum safety parameters. | infrastructure during the construction phase will be assessed under the social VCs (i.e. Infrastructure and Non-traditional land and resource use). Effects on the environment associated with development or upgrade work associated with the Project's transportation components and activities will be assessed in Section 5 Assessment of Potential Environmental Effects, of the Application.  The effects of the construction and operation of the airstrip is included in the scope of the environmental assessment. A description of the support infrastructure required for the operation of the airstrip will be included in the Application.  The Project will comply with applicable federal TDGA and TDGR for transporting dangerous goods and hazardous waste materials.  The potential risk associated with the transport of dangerous materials will be assessed under the accidents and malfunctions section of the Application. An Emergency Response Plan will be proposed to address the different scenarios of accidents and malfunctions. Specific plans required to obtain federal permits or authorizations will be developed during the permitting phase of the Project, following completion of the environmental assessment.  Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAlR comment and response.  A follow-up meeting was conducted on July 16, 2013. New Gold presented a project overview to TC, along with information on potentially impacted streams for more detailed discussion on navigation and transportation aspects. A further call was held on October 22, 2013 to discuss the information requirements and permitting needs for the airstrip. No follow-up action was identified with respect to response and dAlR action presented.  Version G: "Table 4.2-1 lists "Regional and community infrastructure" as a VC under the social polillar, "Regional transportation froad, rail, air)" is presented as indicator to this VC. Section 7.2.3.3 "Potential Effects of the Proposed Project and Proposed Mitigatio | VETSION G. NO BOLION TEQUITED.  | Satisfied          |
| 7.              |                         | Transport Canada,<br>Paula Doucette,<br>May 24, 2013 | 101 7, page               | As a reminder to the proponent, TC-Navigable Waters Protection Program may need to issue NWPA Section 5(2) Approvals and/or an NWPA S 23 GIC exemption for this project as well as Approved Emergency Response Assistance Plans. If so, the environmental effects, as stated under CEAA 2012 S 5.(2) should be taken into account and the information required under section 5(2) of CEAA should be included in the Assessment of Potential Social Effects as it relates to these federal approvals.   | Agree with comment. Navigable waters will be considered as an indicator to the assessment of potential effects on non-traditional land and resource use VC. If a NWPA Section 5(2) Approvals and/or an NWPA S 23 GIC exemption for the Project, as well as Approved Emergency Response Assistance Plans are required for the Project, the environmental effects, as stated under CEA Act 2012 S 5.(2) will be taken into account and the information required under section 5(2) of CEA Act 2012 will be included in the Assessment of Potential Social Effects as it relates to these federal approvals.  Follow-up response: A conference call with Transport Canada was conducted on June 13, 2013 to discuss this dAIR comment and response.   | Version D: Include navigable water use as a land and resource use considered in Sections 4 and 7 of the dAIR.  Edit Table 2.4-1: Potential Federal Approvals with the following text:  Permit / License Responsible-Navigable Waters Protection Act s23 Governor In Council Exemption;  Agency- TC;  Rationale- Section 23 allows for any water or any part of which are navigable or that flow into any navigable water to | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference  | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|--|--|--|---|--------------------|
|                 |                         |   |  |  | A follow-up meeting was conducted on July 16, 2013. New Gold presented a project overview presentation to TC, along with information on potentially impacted streams for more detailed discussion on navigation and transportation aspects. During the meeting it was determined that an ERAP (Emergency Response Assistance Plan) would be the responsibility of the hauler and may not if NewGold if transportation operated under contract. Further, a stand along appendix would be included with the application with regard to Navigable Waters information requirements.  | be exempted in whole or in part from the operation of Sections 21 and 22 of the <i>Navigable Waters Protection Act</i> that prohibit the throwing or depositing of material in any navigable water. An Order in Council (OIC) must first be approved for a Proclamation of exemption to be issued. Potentially required if Davidson Creek where mine tailings material are planned to be deposited, is considered to be navigable waters protected under the <i>Navigable Waters Protection Act</i> . |                    |
|                 |                         |   |  |  | No follow-up action was identified with respect to response and dAIR action presented.  The following text of dAIR version G addresses the comment:  "Recreational and commercial use of waterways" has been added as an indicator to non-traditional land use VC in Table 4.2-1. Section 7.2.6.3 "Potential Effects of the Proposed Project and Proposed Mitigation" under the non-traditional land use VC describes that  "The assessment considers the interaction of the proposed Project footprint and activities against non-traditional land and resource uses, including:  Recreational and commercial use of waterways" | Version G: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".  |                    |
| 8.              | D<br>(July 2013         | Transport Canada<br>John Mackie,<br>August 12, 2013   | Version D,<br>Section 2.4,<br>Table 2.4-1  | Version D, Table 2.4-1, page 42, "navigable waters protection act", reads; "Potentially required for alteration of navigable waters," Should read; "Potentially required for placement of 'works' that interfere with navigation, such as through establishment".  | Agree with comment.  Follow-up response: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".   | Version E: Text in Table 2.4-1 has been revised.  Version G: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".  | Satisfied          |
| 9.              | (April 2013)            | Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013   | Section 2.4,<br>Table 2.4-1<br>Potential<br>Federal<br>Approvals:<br>Fisheries Act -<br>MMER Schedule<br>2 Listing, page<br>15 | proponent's obligation to determine information that should<br>be provided in the Application to undergo a Schedule 2<br>amendment pursuant to the <i>Metal Mining Effluent</i>  | Agree with comment. The dAIR will be updated as requested. It is the proponent's intention to adopt the process for streamlining the approvals metal mines with tailings impoundment areas and the Application will be prepared to satisfy the requirements to reduce the timeline to obtain Government in Council decisions under the Metal Mining Effluent Regulations under section 35 of the <i>Fisheries Act</i> .  | Version D: Edit Table 2.4-1 to list responsible Agency as "DFO with EC." Add reference to the guidance of Environment Canada: "Streamlining the Approvals Process for Metal Mines with Tailings Impoundment Areas" available at http://www.ec.gc.ca/pollution/default.asp?lang=En&n=EFAD 32D1-1.  | Satisfied          |
|                 |                         | Follow-up comment: Bob More Environmental Assessment Unit Environmental Assessment and Marine Programs Environmental Protection Operations Environment Canada February 27, 2014 | General  | Follow-up comment: This message is to provide my comments upon review of the EC items in the tracking table for federal comments.  Items 9 through 30 in the table are due to comments made by EC on the draft AIR-vC (June, 2013); I acknowledge that you highlighted your particular interest in items 27 and 29. I find the proponent's response for all the EC items to be adequate, and I conclude that the current content of the draft AIR-vG is appropriate to its purpose.  Thank you for the opportunity to be involved in development of the AIR. | Follow-up response: New Gold has conducted meetings with Environment Canada and Fisheries and Oceans Canada to discuss information requirements for Schedule 2 for the Blackwater project and will continue to consult with them throughout the Application process. Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".   | Version G: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project". The reference to the guidance of Environment Canada: "Streamlining the Approvals Process for Metal Mines with Tailings Impoundment Areas" available at http://www.ec.gc.ca/pollution/default.asp?lang=En&n=EFAD32D1-1.has been removed from the dAIR.  |                    |
| 10.             |                         |   |  | Groundwater/ Metal Mining Effluent Regulations: As above, "DFO with EC."   | Agree with comment. The dAIR will be updated as requested.  Follow-up response: New Gold has conducted meetings with Environment Canada and Fisheries and Oceans Canada to discuss information requirements for Schedule 2 for the Blackwater project and will continue to consult with them throughout the Application  | Version D: Edit Table 2.8-2 to list responsible Agency as "DFO with EC." Add reference to the guidance of Environment Canada: "Streamlining the Approvals Process for Metal Mines with Tailings Impoundment Areas" available at   | Satisfied          |



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| Comment | Draft          | Author of Comment   | dAIR Version                         | _   |  |  |                    |
|---------|----------------|---|--------------------------------------|---|--|--|--------------------|
| ID#     | AIR<br>Version | & Date of Comment   | Reference                            | Comment   | Proponent Response   | Action dAIR  | EAO Comment/Status |
|         |                |   | Authorization under s.36(3), page 20 |   | process. Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project".   | http://www.ec.gc.ca/pollution/default.asp?lang=En&n=EFAD 32D1-1.   |                    |
|         |                |   |                                      | Follow-up comment: See # 9  |  | Version G: Table 2.4-1 has been removed from the dAIR. Table 2.9.2 presents "Potential Federal Permits, Licenses, and Authorizations Required for the Proposed Project". The reference to the guidance of Environment Canada: "Streamlining the Approvals Process for Metal Mines with Tailings Impoundment Areas" available at http://www.ec.gc.ca/pollution/default.asp?lang=En&n=EFAD32D1-1.has been removed from the dAIR.   |                    |
| 11.     | (April 2013)   | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Table 4.1.1:<br>Valued<br>Component  |   | Comment noted. Detailed justification and definitions of selected spatial boundaries will be described in respective sections for the five pillars of assessment in the Application. The proposed spatial boundaries are defined in Section 4.1.2 on page 33 of the dAIR, and Figures 4.1-2 to 4.1-10 of the dAIR illustrate the spatial boundaries for selected VCs.  | Version D: No action required.  Version G: No action required.   | Satisfied          |
|         |                |   |                                      | Follow-up comment:_See # 9  | Follow-up response: Section 4.3.1.1 (Spatial Boundaries) of Version G of the dAIR describes that "The LSA is defined as an area within which all (or most) potential project effects are expected to occur. The RSA is defined as a larger area (relative to the LSA) and used to provide context for the assessment of potential project effects." Table 4.31 provides details how the water quality LSA has been determined.  New Gold has conducted meetings with Environment Canada and other Federal and Provincial agencies relating to surface water quality and will continue to consult with them throughout the Application process.   |  |                    |
| 12.     |                | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Surface Water and Sediment           | monitored stations, ii) summary table of key parameters (including minimum, mean, maximum, 95th percentile, and number of samples). Full baseline monitoring data should be presented in an appendix to the AIR. Similar text was   | Agree with comment. The Application will present a figure showing all monitoring stations, and a table showing mean and 95 <sup>th</sup> percentile of water quality results along with protection of aquatic life guidelines. The water quality baseline report will be presented as an appendix to Section 5.1.2.2 Surface Water and Sediment Quality of the Application.  | Version D: Update Section 5.1.2.2 of the dAIR with the following text: The Application will present a figure showing each monitoring station, (refer to Figure 4.1-4), as well as a summary table showing mean and 95 <sup>th</sup> percentile of water quality results along with protection of aquatic life  | Satisfied          |
|         |                |   |                                      | found in Section 5.3 of this dAIR document, but the same information requirements should also be stated here.  Follow-up comment: See #9  | Follow-up response: The dAIR document will not have an appendix with full baseline monitoring data as requested by the comment; this will be addressed in the Application as stated in response above.  New Gold has conducted meetings with Environment Canada and other Federal and Provincial agencies relating to surface water quality and will continue to consult with them throughout the Application process.   | guidelines. The water quality baseline report will be presented as an appendix to this section of the Application including data collected to approximately the middle of June 2013. Figure 5.1-1 shows the location of the hydrology station/watershed model nodes.  Version G: No action required.   |                    |
| 13.     | (April 2013)   | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 |                                      | et al, (2008) Wetland Ecological Functions Assessment: An Overview of Approaches' (accessible at: http://wetkit.net/docs/WA_TechReport497_en.pdf) is included in this section. Environment Canada notes that the Federal Policy on Wetland Conservation (FPWC) is a shared federal responsibility that directs all departments to sustain | Agree with comment. A reference to Hanson et al, (2008) Wetland Ecological Functions Assessment: An Overview of Approaches (accessible at: http://wetkit.net/docs/WA_TechReport497_en.pdf) is included in this section. In preparation of the wetland effects assessment and the application of the FPWC in environmental assessment reference will be made to documents available on Environment Canada's website:  1. The Federal Policy on Wetland Conservation. 1991. http://publications.gc.ca/collections/Collection/CW66-116-1991E.pdf;  2. The Federal Policy on Wetland Conservation Implementation Guide. 1996. http://www.ec.gc.ca/Publications/default.asp?lang=En&xml=6AD07CA9-1DDD-4201-ACCF-B18E41FCB350; | Version D: Update Section 5.3.9.1 of the DAIR to include the following: The detailed baseline study and effects assessment will use and include the following references as appropriate: • Hanson et al., (2008) Wetland Ecological Functions Assessment: An Overview of Approaches' (accessible at: http://wetkit.net/docs/WA_TechReport497_en.pdf); • The Federal Policy on Wetland Conservation. 1991. http://publications.gc.ca/collections/Collection/CW66-116-1991E.pdf; | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference  | Comment   | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|--|---|--|--|--------------------|
|                 |                         |   |  | assessment, proponents are encouraged to refer to documents available on Environment Canada's website:  1. The Federal Policy on Wetland Conservation. 1991. http://publications.gc.ca/collections/Collection/CW66-116-1991E.pdf  2. The Federal Policy on Wetland Conservation Implementation Guide. 1996. | DCAF9E54C8B2; and 4. Wetland Ecological Functional Assessment: An Overview of Approaches. 2008. http://www.ec.gc.ca/Publications/default.asp?lang=En&xml=B8737F25-B456-40ED-97E8-DF73C70236A4.  Follow-up response: Information included in the documents referenced has been used in the preparation of the Application. New Gold has conducted meetings with Environment Canada (EC) and Canadian Wildlife Services (CWS) on wildlife and wetland aspects of the Blackwater project. | <ul> <li>The Federal Policy on Wetland Conservation Implementation Guide. 1996. http://www.ec.gc.ca/Publications/default.asp?lang=En&amp;xml=6AD07CA9-1DDD-4201-ACCF-B18E41FCB350;</li> <li>Wetlands Environmental Assessment Guideline. 1998. http://www.ec.gc.ca/Publications/default.asp?lang=En&amp;xml=0D3880BC-9519-4FF9-A294-DCAF9E54C8B2; and</li> <li>Wetland Ecological Functional Assessment: An Overview of Approaches. 2008. http://www.ec.gc.ca/Publications/default.asp?lang=En&amp;xml=B8737F25-B456-40ED-97E8-DF73C70236A4.</li> <li>Version G: References listed in Section 5.3.7.2 (Wetlands Valued Component Baseline) have been updated to remove outdated weblinks as follows:</li> <li>Hanson, L. Swanson, D. Ewing, G. Grabas, S. Meyer, L. Ross, M. Watmough, and J. Kirkby 2008. Wetland ecological functions assessment: and overview of approaches. A. Atlantic Region. Technical Report Series Number 497.</li> <li>Government of Canada. 1991. The Federal Policy on Wetland Conservation. Environment Canada. Ottawa, Ontario.</li> <li>Lynch-Stewart, P., P. Neice, C. Rubec and I. Kessel-Taylor 1996.The Federal Policy on Wetland Conservation: Implementation Guide for Federal Land Managers. 1996. P. Lynch-Stewart, P. Neice, C. Rubec and I. Kessel-Taylor. Canadian Wildlife Service, Environment Canada. 32 p</li> <li>Milko, R. 1998. Wetlands environmental assessment guideline. Canadian Wildlife Service, Ottawa, ON.</li> <li>The following reference has been removed from dAIR since the weblink was no longer working and reference has already been made to Hanson et al.:</li> <li>Wetland Ecological Functional Assessment: An Overview of Approaches. 2008. http://www.ec.gc.ca/Publications/default.asp?lang=En&amp;xml=B8737F25-B456-40ED-97E8-DF73C70236A4.</li> </ul> |                    |
| 14.             |                         | Environmental<br>Assessment Office  | Section 5.1.2.5:<br>Wetlands;<br>Ecological<br>Wetland<br>Function, page<br>54 | Wildlife, Migratory Birds, Wetlands, Vegetation: The reference in the following sentence: "Ecological function is described using the following techniques (EC 2008)" cannot be found in the reference section. Is this reference referring to Hanson et al., 2008 (as per p.54 of the dAIR)?               | Agree with comment: EC 2008 refers to Hanson 2008.  Follow-up response: The references have been changed in the dAIR to address this comment.  |  | Satisfied          |
| 15.             |                         | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Section 5.1.3.3:<br>Vegetation,<br>page 59                                     | Follow-up comment: See # 9  Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada requests additional information describing where and how the issue of invasive plants will be addressed in the vegetation baseline program.  Follow-up comment: See # 9                                     | Agree with comment. The issue of invasive plants will be addressed in the baseline by identifying which invasives are documented to occur in and near the Project area. An invasive species management plan will be prepared and presented in Section 12.2 of the Application.   | Version D: Revise Section 5.1.3.3 of the dAIR with following text: An assessment of plant species at risk, ecological communities at risk, and invasive plants will be completed for the baseline case of the LSA and RSA.   | Satisfied          |



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| 16.             | C (April 2013)          | Environmental<br>Assessment Office<br>Adriana Glos, | Section 5.1.3.3:<br>Vegetation -<br>Terrestrial<br>Ecosystem<br>Mapping, page<br>60 | Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada recommends inclusion of discussion on "Ecological Communities of Concern", including old-growth communities in this section of the dAIR.  Follow-up comment: See # 9 | communities. Detailed baseline information including source of the information will be presented in an Appendix to this section of the Application. Detailed baseline information and the source of information on vegetation VCs will be presented in Section 5.4.4 Ecosystem Composition and Section 5.4.5 Plant Species and Ecosystems at Risks, as part of the effects assessment.  Follow-up response: Table 4.2-1 of the dAIR presents "old growth" as an indicator to the ecosystem composition VC. | Version D: The dAIR will be revised to include the following text in Section 5.1.3.3:  This subsection will present the baseline conditions for vegetation. The vegetation baseline program includes classification of each ecosystem following the provincial site classification of Biogeoclimatic Ecosystem Classification (BEC) system (MFLNRO 2013) and mapping the distribution of ecosystems within the LSA and RSA including sensitive ecosystems, such as old growth, sparsely vegetated, and riparian). An assessment of plant species at risk, ecological communities at risk and invasive plants will be completed for the baseline case of the LSA and RSA. Baseline wetland conditions in the Project area will be presented in Section 5.1.2.5 of the Application. The analysis of plant tissue for metal uptake will be presented in Section 9.2, Human Health, of the Application. Invasive plant baseline conditions and management strategies will be presented in Section 12.2, Environmental Management Plans.  Section 5.4.7.2: Ecosystem composition refers to the diversity of ecosystems present within the Project area as well as sensitive ecosystems (sparsely vegetated, old growth and riparian).  Version G: No action required. |                    |
| 17.             | C<br>(April 2013)       | Adriana Glos,                                       | Section 5.1.3.3:<br>Vegetation -<br>Plant Species at<br>Risk Survey,<br>page 60     | Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada recommends including a section on vascular and non-vascular plant species, such as bryophytes, mosses and lichens.  Follow-up comment: See # 9                       | information including source of the information will be presented in an Appendix to this section of the Application. Detailed baseline information and the source of information on vegetation   | Version D: The dAIR will be revised to include the following text in Section 5.1.3.3:  The structure of the plant community is evaluated by estimating the percent cover of each species within various layers (e.g., moss / lichen / seedling, herb, low shrub, tall shrub, sub canopy, and main canopy). Vascular and non-vascular plant species will be documented at both full plots and ground inspections.  Section 5.4.8.2:  The assessment of potential effects for the plant species at risk is based on baseline data collection and assessment. Plant species at risk are defined to include:  Vascular and non-vascular species listed by the BC CDC that are typically ranked as Red- or Blue-listed (BC CDC 2012).  Version G: Update for Section 5.4.8.2 in Version D of the dAIR has been renumbered as Section 5.4.6.3 of Version G of the dAIR,  | Satisfied          |
| 18.             | -                       | Assessment Office                                   | Wildlife and<br>Wildlife Habitat,<br>page 61  | Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada requests a table summarizing the approaches and methods used to identify species or species groups in the table of wildlife VCs.  Follow-up comment: See # 9         | Agree with comment. This recommendation has been adopted and the rationale for choosing and assessing specific VCs of the terrestrial environment will be presented in section 5.4 of the Application.  Follow-up response: During a meeting in November 2013, VC selection was discussed and what species were indicator species and how these addressed additional species not listed as a VC or indicator. No follow up on VC selection was identified at this meeting.                                 | Version D: No action required.  Version G: No action required.   | Satisfied          |



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| 19.          | C<br>(April 2013)       | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Section 5.1.3.4:<br>Wildlife and<br>Wildlife Habitat,<br>page 62   | Wildlife, Migratory Birds, Wetlands, Vegetation: In the sub-heading "Rare and listed species", Environment Canada recommends including potential rare species and proposed approaches to baseline studies and long-term monitoring (for example, species-specific RISC standards).  Follow-up comment: See # 9   |   | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 20.          | C<br>(April 2013)       | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Section 5.1.3.4:<br>Wildlife and<br>Wildlife Habitat,<br>page 63   | Wildlife, Migratory Birds, Wetlands, Vegetation: In the sub-heading "Mammals", Environment Canada recommends that surveys for key ecological components such as mineral licks, wallows, etc. be included in the baseline characterization. Woodland Caribou (Rangifer tarandus caribou), Northern Mountain Population, is listed in Schedule I of the Species at Risk Act (SARA) as Special Concern. Environment Canada requests that species details on baseline characterization approaches be provided. The proponent is requested to consult with Environment Canada as appropriate.  Follow-up comment: See # 9 | Agree with comment. This recommendation has been adopted and the necessary explanation will be presented in Section 5.4 of the Application and included in the effects assessment. Surveys include features such as search for mineral licks, trails, and ecological features of importance to caribou. Baseline information on these features will be presented in the habitat section for respective VCs.  Follow-up response: Baseline methods and habitat modelling approaches were presented to CWS during a meeting in November 2013. No follow up came from this meeting pertaining to this comment.   | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 21.          | C<br>(April 2013)       | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Aquatic Effects<br>Assessment;<br>Section 5.3.2,<br>Surface Water  | Surface Water Quality: Proponent is to be commended for citing the Goldsim water quality model. While a comparison to guidelines is provided, Environment Canada recommends the inclusion of CCME (Canadian Council of Ministers of the Environment) guidelines for the protection of aquatic life in the text (page 70). In addition, BC Ministry of Environment maximum and 30-day guidelines could also be cited. Hardness dependent guidelines should be calculated and presented based on baseline and predicted water hardness.  Follow-up comment: See # 9  | Comment noted. Where practical (i.e. when predicted concentrations are near guidelines), guidelines will be shown on model graphs. Where guidelines are one or more orders of magnitude above predicted concentrations, they will not be shown as this will significantly reduce the readability of the graphs. Guidelines will be hardness adjusted.  Follow-up response: Presentation of geochemistry and water quality modelling preliminary results were discussed at a meeting in fall 2013. Editorial changes were noted and corrections made from this meeting.  | Version D: Revise Section 5.3.2.2 of the dAIR with the following: Predicted results are compared to Canadian Council of Ministers of the Environment (CCME) guidelines for the protection of aquatic life, BC MOE water quality maximum and 30-day guidelines, and site-specific objectives proposed for the surface water quality. Guidelines will be hardness adjusted.  Version G: The revised text as stated above is located in Section 5.3.3.3 of the dAIR. | Satisfied          |
| 22.          | C<br>(April 2013)       | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Surface Water<br>Quality- 5.3.2.2<br>Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation: The<br>dAIR states: "A<br>key objective of<br>the proposed | be implemented in the event that mine site water cannot be contained within the Tailings Storage Facility (TSF) and must be released to the environment.  Any discharge of effluent from the mine site must meet the requirements of the Metal Mining Effluent Regulations (MMER) at the point of final discharge. Effluent as defined under the MMER includes any seepage and surface   | Comment noted. The TSF will be sized to contain storm events while maintaining the required freeboard. Seepage will be intercepted by a downstream environmental control dam. Operation of the sewage treatment plant will be described in Section 2.2 of the Application. Two receiving streams, Davidson Creek and Creek 705 (an unnamed tributary of Fawnie Creek flowing to the west from near the Project site), are modeled. Sources modeled include the open pit, waste rock and ore storage piles, overburden stockpile, landfill, sewage treatment plant, site runoff, TSF, TSF dams; both runoff and seepage are included. The TSF will be permitted as a zero-discharge facility. Should discharge be necessary at any time after commissioning, the <i>Environmental Management Act</i> permit issued by BC MOE and required for operation of the facility will need to be amended or a new permit applied for prior to any discharge from the TSF. Discharge water quality and quantity will be set in the permit and will be protective of the receiving environment as well as, at a minimum, meet MMER discharge standards. | intercepted by a downstream environmental control dam. Since seepage capture is not expected to be 100%, an assessment is carried out of the potential effects of loss of some seepage to proposed Project area drainages. The TSF will be permitted as a zero discharge facility. Should discharge be necessary at any time after commissioning, the Environmental Management Act permit issued by BC  | Satisfied          |



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|                 |                         |                                     | discharges from<br>the proposed<br>mine site to<br>adjacent<br>streams during<br>operations. The<br>proponent has<br>stated that the<br>current project<br>design has been<br>developed with<br>intent to comply<br>with this key<br>objective.", page<br>69-70 | recommended. In addition, the proponent is encouraged to provide information describing water treatment and discharge for other effluents such as human waste.  Follow-up comment: See # 9  | Follow-up response: A meeting was conducted on June 13, 2013. During this meeting Environment Canada asked about the design storm event for the tailings storage facility to ensure no discharge during operations. It was agreed that the Probable Maximum Flow would be the design event based on the Canadian Dam Association guidelines.  Environment Canada provided further clarification on Section 6.0 of the MMER in an email to New Gold on June 18, 2013. It is Environment Canada's understanding that New Gold plans to use collected non-contact water as a supply source for mine process water rather than drawing extra water from Tatelkuz Lake. Section 6.0 of the MMER prohibits the use of water to dilute effluent prior to discharge, however the MMER does not apply to the use of water for feed to the mill. | quantity will be set in the permit and will be protective of the receiving environment as well as, at a minimum, meet MMER discharge standards.  Version G: The revised text as stated above is located in Section 5.3.3.3 of the dAIR.   |                    |
| 23.             | C<br>(April 2013)       | Assessment Office Adriana Glos,     | Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation, page<br>73   | Groundwater: Environment Canada recommends that the proponent consider potential adverse impacts on the VC from any short term closures (i.e. care and maintenance - if necessary) is it applies to the adaptive management plan.  Follow-up comment: See # 9 | Comment noted. Controls for seepage would not cease under the scenario of short term closure. During temporary closure, seepage controls would remain in place.  Follow-up Response: Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.   | Version D: A new section on closure planning will be added as Section 2.2.6 of the dAIR. This section will describe management strategies for temporary closure (including a description of the conditions under which temporary closure will occur).  Revise Section 5.3.7.2 of the dAIR with the following text:  Potential effects on groundwater flow during short term closures as it applies to the adaptive management plan will be presented in Section 2.2.6 of the Application and the mine water management plan presented in Section 12.2.  Version G: The revised text as stated above is located in Section 2.6 "Reclamation and Closure" and section 5.3.5.3 (Groundwater Flow) of the dAIR. |                    |
| 24.             | C<br>(April 2013)       | Assessment Office                   | Potential Effects<br>of the Proposed<br>Project and<br>Proposed   | The proponent has indicated that the updated water model will address the potential for reductions in stream flows. Environment Canada recommends that the updated water model incorporate all changes in stream flows, as well as                            | Comment noted. Changes in stream flows, as well as any other increases in flow (e.g. diversions/discharges), will be assessed under Section 5.3.1 Surface Water Flow.  Follow-up response: Surface water quantity models include changes from diversions/discharges and changes in groundwater flow.   | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 25.             | C<br>(April 2013)       | Assessment Office                   | Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation, page<br>73   | The proponent has indicated that analytical/numerical   | Comment noted. The surface water quality VC will capture the effects from seepage generated by the main mine facilities, including the TSF and waste rock dumps. The function of water diversion and seepage collection structures will be integrated into the mine site water balance. The effects of pit dewatering in groundwater flow will also be captured in the groundwater flow models and the amount and quality of the water coming out of the pit will be used for the surface water quality assessment.  Follow-up response: Prior to submission of the Application a review, with the working group, of the groundwater modelling and preliminary results is proposed.  | Version D: No action required.  Version G: No action required.  | Satisfied          |



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| 26.             | C<br>(April 2013)       | Environmental<br>Assessment Office<br>Adriana Glos, | Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation, page<br>74 | Groundwater: See previous comment: Environment Canada recommends that the proponent consider potential adverse impacts on the VC from any short term closures (i.e. care and maintenance - if necessary) is it applies to the adaptive management plan.  Follow-up comment: See #9                            | Comment noted. Controls for seepage would not cease under the scenario of short term closure. During temporary closure, seepage controls would remain in place.  Follow-up response: The dAIR has been revised to address this comment. Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  | Version D: A new section on closure planning will be added as Section 2.2.6 of the dAIR. This section will describe management strategies for temporary closure (including a description of the conditions under which temporary closure will occur).  Revise Section 5.3.7.2 of the dAIR with the following text:  Potential effects on groundwater flow during short term closures as it applies to the adaptive management plan will be presented in Section 2.2.6 of the Application and the mine water management plan presented in Section 12.2.  Version G: Section 2.6 of the dAIR will provide details on reclamation and closure. |                    |
| 27.             |                         | Assessment Office                                   | Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation, page<br>74 | Environment Canada recommends that the interpretation of the impacts on groundwater geochemistry include the assessment of mine dewatering activities on bedrock groundwater quality both temporally and spatially.  Follow-up comment: See # 9   | Comment noted. Dewatering generally does not change groundwater quality. The effects of pit dewatering in groundwater flow will also be captured in the groundwater flow models and the amount and quality of the water coming out of the pit will be used for the surface water quality assessment.  Follow-up response: New Gold has conducted meetings with Environment Canada on relevant aspects of the Blackwater project and will continue to consult with them throughout the Application process. A review with the working group of groundwater modelling and preliminary results is proposed prior to the submission of the Application  Follow-Up response: a meeting to discuss the approach and preliminary results on groundwater took place in March 4 <sup>th</sup> 2014 with the participation of members of the Working Group including First Nations.  | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 28.             | C<br>(April 2013)       | Assessment Office<br>Adriana Glos,<br>June 3, 2013  | Potential Effects<br>of the Proposed<br>Project and<br>Proposed<br>Mitigation, page<br>91 | Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada notes that the 7th and 8th bullet on page 91, "Wildlife productivity; and Species of cultural, or traditional use" may not apply to the invertebrate section in Section 5.4.9 Invertebrate Valued Components.  Follow-up comment: See # 9 | Agree with comment. The following bullets will be deleted from the dAIR:  • Direct and indirect wildlife mortality from the mine operations and traffic; and  • Wildlife productivity.  Follow-up response: New Gold has conducted meetings with Environment Canada on relevant aspects of the Blackwater project and will continue to consult with them throughout the Application process. Wildlife productivity will not be considered for the environmental assessment of invertebrates. However, information will be presented on traditional ecological or community knowledge as described in Section 5.4.15.2 in the dAIR.   | Version D: Delete the following bullets from Section 5.4.12.2 of the dAIR:  • Direct and indirect wildlife mortality from the mine operations and traffic; and  • Wildlife productivity.  Version G: No action required.  | Satisfied          |
| 29.             |                         | Assessment Office                                   | Environmental<br>Management<br>Plans, page 126  | Wildlife, Migratory Birds, Wetlands, Vegetation: With regards to the 4th and 5th bullets on page 126, "Wetlands Management; and Wildlife Management", Environment Canada recommends the proponent include long-term monitoring strategies.  Follow-up comment: See # 9  | Comment noted. The Application will present proposed monitoring measures for wildlife, wetlands, and vegetation. Long-term monitoring with respect to wetland function and changes to habitat / relative abundance of shorebirds or waterfowl can be included.  Wildlife Caribou are already being monitored by BC MFLNRO, and contributing to long-term monitoring would be a recommended action. For example, funding could be provided for several satellite collars or to assist with other research efforts underway. This could include habitat assessment and monitoring of limited lichen winter habitat, including monitoring plots, transplanting lichens and using enclosures to monitor natural changes. For most migratory birds, assessment of habitat before, during, and post-closure is usually sufficient to address the majority of bird issues. The effects assessment should set a threshold for acceptable impacts to numbers / habitat. |   | Satisfied          |



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| 30.             | C<br>(April 2013)       | Environment Canada<br>Environmental<br>Assessment Office<br>Adriana Glos,<br>June 3, 2013 | Compliance                     | Wildlife, Migratory Birds, Wetlands, Vegetation: Environment Canada requests information on the approach, scope and objectives of monitoring plans for VCs. Information should be included on how the baseline programs have been designed to ensure long-term | Long-term strategies will be proposed.  Follow-up response: Management plans and monitoring will be development from the effects assessment. It is anticipated monitoring requirements will be further defined during the EA and permitting. Section 12.2 of the dAIR version G describes that "Proposed Project EMPs would be designed to provide an integrated, systematic approach to environmental management and would help deliver assurance to interested parties regarding the phases and activities of the proposed Project. The EMPs will be based on the principle of adaptive management, will implement BMPs, and will include appropriate environmental management practices described in the Environmental Code of Practice for Metal Mines (EC, 2009) document.  Comment noted. The Application will describe the RISC inventory methods. The Application will present environmental effects threshold levels for each VC.  Wildlife: Monitoring would vary by VC species; many would be best monitored by habitat changes and possible surveys. A 20% change in the species population within the RSA would   |   | Satisfied          |
|                 |                         |   |                                | monitoring that will effectively assess the scale of project effects, the success of implemented mitigation measures, and the value of wildlife and habitat management approaches.  Follow-up comment: See # 9   | be used as a threshold for effects assessment. In order to detect that magnitude of change, power analysis generally suggests repeated surveys every 5 years. The effects assessment should demonstrate that there is a likelihood of that scale of change to ensure that monitoring would be effective. Monitoring would focus on the species that are limited in numbers and distribution, such as caribou, Clarke's nutcrackers and their habitat (whitebark pine stands). If there is a concern about impacts to numbers and habitat despite mitigation measures, habitat change would be assessed quantitatively and VC species would be monitored using RISC standard surveys during operations and post-closure phases.  Wetlands: It is intended that long-term monitoring will be accomplished by establishing vegetation reference plots to monitor changes in species composition and shallow groundwater piezometers to monitor changes in hydrology. (Samples of water and surficial organic soils within wetlands will also be collected to assess changes in physical and chemical parameters). These plots will be situated within suitable control sites outside of the Project footprint as well as reference wetlands within areas potentially impacted by the Project during operation, closure, and post-closure.  Vegetation: See reclamation and environmental management plans. Monitoring will include: revegetation, invasive plants, drainage, erosion, and remedial measures, as necessary.  Follow-up response: The dAIR describes the RISC methods considered for baseline |   |                    |
|                 |                         |   |                                |  | characterization in section 5.1.3.4. Section 12.2 lists the applicable EMPs. Monitoring plans will be developed and presented in the EA based on the findings of the effects assessment for each VC. It is anticipated this will tailored to appropriate metrics for each VC e.g., area based or shoot survival. Baseline information collected to date will provide a basis for future monitoring; however, additional baseline information may be required, prior to construction.   |   |                    |
| 31.             | C<br>(April 2013)       | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013                                      | Purpose and<br>Location of the | HC advises that the locations of First Nations' reserves (i.e. Tatelkus Lake Indian Reserve) and their distances from the proposed project be provided in this section, along with the other communities described.  | Agree with the comment. Text of Section 2.2.1 will be revised. Figure presenting the local socio economic study area will show location of Indian Reserves (Figure 4.1-8 of dAIR).  Follow-up response: The dAIR has been updated accordingly to address this comment.   | Version D: Revise Section 2.2.1 of the dAIR per the following: The proponent is proposing to develop the Project, an open pit gold and silver mine and ore processing facilities with a nominal milling rate capacity of 60,000 tonnes per day (t/d) (22 Mt/y) over 17 years. The proposed Project is situated approximately 110 kilometres (km) southwest of Vanderhoof (straight-line distance) in central BC, approximately 160 km southwest of Prince George, and approximately 15 km southwest of the Tatelkuz Lake Indian Reserve 28, the closest Indian Reserve to the mine site. The two closest Aboriginal Reserves to the proposed transmission line are the Stellaquo 1 Reserve (Saik'uz First Nation) at 3 km to the northeast, and the Seaspunkut 4 Reserve (Nadleh Whut'en First Nation) at 9 km to the northeast of the Kluskus FSR. |                    |



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|                 |                         |   |  |   |  | The closest Aboriginal Reserve to the Kluskus FSR is the Clustalach Reserve 5 at approximately 1.8 km to the east. The proposed mine site is centered at 53° 11' 22.872"N 124° 52' 0.437"W (5893000 N and 375400 E) and is located in National Topographic System (NTS) sheet 93F/02 (Figure 2.2 1). |                    |
|                 |                         |   |  |   |  | Version G: No action required.   |                    |
| 32.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013                            | Section 2.2.2:<br>Project<br>Overview, page<br>5 | With respect to this project being a conventional truck-<br>shovel open pit mine, the dAIR does not indicate to what<br>extent diesel powered equipment will be used during<br>construction and operations.   | Comment noted. The mine fleet will be composed mainly of diesel powered equipment and the effect of the combustion gases and particulate matter generated by the mine fleet will be assessed under the air quality VC. Details of the mine fleet and fuel consumption rates will be provided in the Application.   | Version D: Add the following statement to Section 2.2.2 in the dAIR: The Project is based on a conventional diesel powered truck-shovel open pit mine.   | Satisfied          |
|                 |                         |   |  |   | Follow-up response: A call was conducted on June 14, 2013. New Gold explained that with respect to this project being a conventional truck-shovel open pit mine, the dAIR does not indicate to what extent diesel powered equipment will be used during construction and operations. Diesel will be used for the mine fleet and a generator will be used in case power goes down. The diesel generator is to be used for approximately one year to a year and a half into construction after which it is expected that power will be supplied through the transmission line. A green house gas assessment will be included.  | Version G: No action required.   |                    |
|                 |                         |   |  |   | No follow-up action was identified with respect to response and dAIR action presented.   |  |                    |
| 33.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013                            | Section 2.2.2:<br>Project<br>Overview, page<br>5 | It is also not clear whether the gold-silver ore product will be shipped from the project site by road or rail. This information would be useful in the context of understanding the Proponent's approach to the air quality effects assessment.  | Agree with comment. The gold and silver would be recovered into a gold-silver doré product and shipped by air or by road.  | Version D: Add the following statement to Section 2.2.2 of the dAIR: The gold and silver would be recovered into a gold-silver doré product and shipped by air or by road.   | Satisfied          |
|                 |                         |   |  |   | Follow-up response: A call was conducted on June 14, 2013. New Gold explained that road or plane will be used to transport doré bars during operations, due to sensitivity of the product. At other operations several armoured trucks are sent out only one of which contains the doré bars. Transportation will most probably be conducted by plane. Health Canada advised that the air quality health effects assessment, and in particular the air dispersion modelling, include all types of emission sources, including those resulting from the transportation of products to and from the mine site, including doré (as appropriate). Section 5.2.4.3 of the dAIR states that "The assessment of residual effects for air quality involves the preparation of an emission inventory and dispersion modelling." |  |                    |
|                 |                         | Follow-up comment:<br>Health Canada<br>Yota Hatziantoniou,<br>February 11, 2014 |  | Follow-up comment: Regarding the Proponent's response to federal comment ID #33 (regarding the shipment of doré), please note that Health Canada did not request that an emissions inventory be provided. Rather, Health Canada would have advised that the air quality health effects assessment, and in particular the air dispersion modelling, include all types of emission sources, including those resulting from the transportation of products to and from the mine site, including doré (as appropriate). | The follow-up response stated above has been updated to address the follow-up comment.   | Version H: No action required.   |                    |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                  | dAIR Version<br>Reference   | Comment   | Proponent Response  | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|--|---|---|---|---|--------------------|
| 34.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Section 4.1: Table 4.1-1: Valued Component Candidates and Proposed Spatial Boundaries, page 32 & Figure 4.1-8: Economic, Social and Human Health Study Areas, page 41 | For the "environmental exposures" VC, the LSA/RSA is based on the use of Regional District Electoral Areas (RDEAs) or other statistical reporting units. These statistical boundaries may not necessarily capture the locations of all permanent and seasonal human receptors that may be impacted by the project. For example, it is not clear from Figure 4.1-8 whether the FN reserves to the south-east of the project would be included within those boundaries. HC advises that the final AIR clearly indicate that all permanent and seasonal First Nations' receptors in the vicinity of the project are being included in the human health effects assessment. | Comment noted. The LSA/RSAs have been defined as the zone encompassing the potential area where the Project may have an influence. If the effects assessment on VCs of the biophysical environment demonstrate that there will be effects outside of the proposed socio-economic LSA/RSA, these study areas would be revised. If any seasonal or permanent human receptors are to be within the Project zone of influence, they will be included in the assessment.  Follow-up response: A call was conducted on June 14, 2013. Figure 4.3.8 "Economic, Social, and Human Health Study Area" of the dAIR includes the First Nations' reserves as an example of receptors.   | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 35.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | _   | HC advises that along with PM2.5 and PM10, total particulate matter (TPM) or dust deposition should also be included in the air quality environmental baseline. TPM settles by gravity, and depending on its composition, may also have effects on human health.  | Comment noted. Secondary data will be reviewed to determine if TPM data is available. If data are available, these will be added to the air quality baseline.  Follow-up response: A call was conducted on June 14, 2013. Secondary data will be reviewed if available for TPM and dust deposition. If data are available they will be added to the air quality baseline. For the air quality effects assessment TPM will be estimated based on PM10 data. Version G of the dAIR states in section 5.1.1.2 (Air Quality) that "A protocol of the gravimetric sampling agreed with BC Ministry of Environment (BC MOE) involves a Partisol instrument, three-day sampling cycles, and a gravimetric analysis of respirable and thoracic samples by a certified laboratory. Consequently, baseline concentration of PM2.5 and PM10 are completed using onsite real-time data. Because dust is the most common and significant contaminant generated during open pit mining, the real time monitoring of baseline and proposed Project dust concentrations is essential in the assessment of air contaminants impact on critical receptors, including people, wildlife and wildlife habitat, vegetation, and surface water."  Section 9.2.2.3 states "Dustfall and deposition of contaminants of potential concern to soils will be modelled, such that future concentrations in fish, wild game, and plant tissue can be predicted, and carried through to the human health risk assessment;" | Version D: No action required.  Version G: A sentence will be added to the dAIR Section 5.1.1.2 "Air Quality" as follows: Secondary data will be reviewed if available for TPM and dust deposition. If data are available it will be added to the air quality baseline. | Satisfied          |
| 36.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Section 5.1.1.2:<br>Air Quality,<br>pages 47-48   | HC advises that VOCs and PAHs may also need to be considered in the air quality effects assessment, if diesel powered equipment will be used during construction or operations.   | Agree with comment. VOCs and PAHs are already planned to be used as modelling parameters.  Follow-up response: A call was conducted on June 14, 2013. Predicted VOCs and PAHs are in the scope of the air quality model. Results will be considered in the human health ecological risk assessment as described in Section 9.2.2.3 of the dAIR.   | Version D: No action required.  Version G: No action required.  | Satisfied          |
| 37.             | (April 2013)            | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Noise and   | HC advises that "critical" (or sensitive) noise receptors also be inclusive of aboriginal peoples near the project area (i.e. users of ceremonial areas etc.), who may have greater expectations of 'peace-and-quiet'.  | Agree with comment. Indian Reserves located in the vicinity of the Project will be considered as potential noise receptors.  Follow-up response: A call was conducted on June 14, 2013. New Gold agreed to include temporary receptors (Indian Reserves).   | Version D: Include in paragraph 1 of Section 5.1.1.3 the following text: Indian Reserves located in the vicinity of the Project will be considered as potential noise receptors.  Version G: No action required.  | Satisfied          |
| 38.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Section 5.1.2.2:<br>Surface Water<br>and Sediment<br>Quality<br>Section 5.1.2.4<br>Groundwater<br>Quality<br>Section 9.2:<br>Health Effect<br>Assessment              | HC advises that all sources of drinking water (surface and groundwater) be identified, as well as water used for recreational purposes within the area of influence of the project. A commitment to assess potential project related impacts to existing drinking or recreational waters is currently missing from the dAIR.  | Agree with comment. Changes in water quality as they relate to groundwater quality and surface water quality will be addressed under the VCs in Section 5.1.2.2 and Section 5.1.2.4 of the dAIR. Potential Project effects on sources of drinking water and to recreational water bodies, will be evaluated as part of the Application under the non-traditional land and resource use VC (Section 7.2.3 of the dAIR). Potential Project effects on humans due to changes to water quality will be discussed under environmental exposures VC (Section 9.2.1 of dAIR).  Follow-up response: A call was conducted on June 14, 2013. New Gold agreed to the comment, the dAIR includes surface and groundwater use for drinking water.  | Version D: Section 7.1.2 and 7.2.8.2 of the dAIR will be updated to include: groundwater resource use; and surface water use.  Version G: There is no longer a Section 7.2.8.2 in the dAIR. Section 7.1.2 includes groundwater resource use and surface water use.      | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                  | dAIR Version<br>Reference                    | Comment  | Proponent Response  | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|--|--|--|---|--|--------------------|
| 39.             |                         | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Wildlife and<br>Wildlife Habitat,<br>page 62 | tissue metals analysis for rainbow trout (pg. 55) and plants | Comment noted. It is very difficult to determine cause and effects to species such as moose or bears due to their large home ranges and limited exposure to the Project study area. The compliance monitoring Section 13 of the Application will consider the need for undertaking tissue metals analysis for wildlife.  Follow-up response: A call was conducted on June 14, 2013 to further discuss this comment. A country foods monitoring plan will be developed as described in Section 9.2.2 of the dAIR. This monitoring plan will cover small mammals, plants and fish used by people in the vicinity of the mine site. As discussed during the call, this monitoring plan will not include large mammals such as moose or caribou, which have large ranges including areas not potentially affected by the mine site. | Version G: The country foods monitoring plan was formerly referenced in Section 12.2., but is now described in Section 9.2.2 under the Environmental Exposures VC.   | Satisfied          |
| 40.             | (April 2013)            | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013 | Atmospheric and<br>Acoustic<br>Environment   |  | Agree with comment. Noise contours generated will be overlaid with available mapped location of identified permanent and seasonal human receptor, to enable an understanding of Project related noise levels that may be experienced at individual receptor locations.  Follow-up response: A call was conducted on June 14, 2013. Noise contours generated will be overlaid with the mapped locations of permanent and seasonal human receptors.   | Noise contours generated will be overlaid with available mapped locations of each permanent and seasonal human receptor, to enable an understanding of Project related noise levels that may be experienced at individual receptor | Satisfied          |



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| Comment A    | Draft<br>AIR<br>ersion | Author of Comment & Date of Comment   | dAIR Version<br>Reference  | Comment  | Proponent Response  | Action dAIR   | EAO Comment/Status |
|--------------|------------------------|---|--|--|---|---|--------------------|
| 41. C (April | il 2013)   N           | Follow-up comment: Health Canada Yota Hatziantoniou, May 22, 2013 and May 30, 2013  February 11, 2014 | Section 14 First Nations Background Information, page 129 Section 9.2: Health Effects Assessment | potential pathway for exposure to COPCs, HC advises that it may be necessary to conduct dietary surveys of aboriginal peoples in the vicinity of the project. Dietary surveys are useful for obtaining the country foods consumption information (i.e. serving sizes, frequency etc) that would be needed to complete an HHRA. In the absence of site specific country foods consumption information, other available consumption data could be used if it is representative of the potentially affected human receptors near the project.  Additional Email of 30 May 2013: Regarding the Blackwater dAIR, it has come to my attention that one of HC's comments made below concerning country foods (under Section 14: First Nations Background Information), would also be appropriate to include under Section 9.2: Health Effects Assessment.  The comment which may be repeated under Section 9.2 is: If the consumption of country foods is identified as one potential pathway for exposure to COPCs, HC advises that it may be necessary to conduct dietary surveys of aboriginal peoples in the vicinity of the project. Dietary surveys are useful for obtaining the country foods consumption information (i.e. serving sizes, frequency etc) that would be needed to complete an HHRA. In the absence of site specific country foods consumption information, other available consumption data could be used if it is representative of the potentially affected human receptors near the project. The rationale for this is that biophysical changes to the environment that may impact human health include changes to: air quality, water quality, noise levels, and contaminants in country food sources. When risks to human health due to changes in one or more of these components are predicted, a complete Human Health Risk Assessment (HHRA) examining all exposure pathways for pollutants of concern may be necessary to adequately characterize potential risks the human health.  Follow-up comment: Regarding the Proponent's response to federal comment ID #41 (regarding country foods consum | Comment noted and information is being actively solicited and the results will be presented in Section 14 First Nations Background Information of the Application. Obtaining timely, measurable and representative baseline country foods information, from Aboriginal communities that are specific to the Project's area of influence may not be possible. For the purpose of the Application, a Human Health and Ecological Risk Assessment (HHERA) approach will be adopted, using information presented in the "First Nations Food, Nutrition & Environment Study" (Chan et al. 2008). This document was prepared by the University of Northern British Columbia, the University of Montreal, and the Assembly of First Nations, and compiles sourcy data for all of British Columbia native communities, regarding traditional food consumption. It is AMEC's opinion that it is a credible source of information regarding country food consumption. Other information used to conduct the HHERA will include air quality, water quality, noise levels, fish and vegetation data collected within the Project's area of influence.  Follow-up response: A call was conducted on June 14, 2013 to further discuss this comment. A country foods monitoring plan will be developed as described in Section 9.2.2 of the dAIR. This monitoring plan will cover small mammals, plants and fish used by people in the vicinity of the mine site. As discussed during the call, this monitoring plan will not include large mammals such as moose or caribou, which have large ranges, including areas not potential concern to relevant biophysical effects assessment for each contaminant of potential concern to relevant toxicological reference values to estimate the risks to human health." The reference to the First Nations Food, Nutrition and Environment Study (Chan et al., 2008) will be removed. | Version B: Section 9.2.2.3 will be updated to read as follows: "Compare the baseline above is located in Section 9.2.2.3 of the dAIR version G.  Version H: Section 9.2.2.3 will be updated to read as follows: "Compare the baseline and predicted exposure levels presented in the relevant biophysical effects assessment section and the "First Nations Food, Nutrition & Environment Study" (Chan et al. 2008) to determine geographic area where change in exposure could be measurable (referred to as the zone of potential influence);  Version G: The sentence above is located in Section 9.2.2.3 of the dAIR version G.  Version G: The sentence above is located in Section 9.2.2.3 of the dAIR version G. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version   | Author of Comment & Date of Comment                   | dAIR Version<br>Reference   | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|---|---|---|--|--|---|--------------------|
| 42.             | List of<br>Candidate<br>Valued<br>Components<br>(April 2013 -<br>version C) | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013  | Table 1:<br>Candidate<br>Valued<br>Components<br>and Indicators,<br>page 5  | HC suggests that drinking water quality will also be considered as one of the "human health - environmental exposures" proposed indicators.  | Comment noted. The assessment of potential for health effects as a result of environmental exposures will include identifying components of the Project where potential environment exposure pathways exist, considering dependent discipline assessments (e.g., air quality, noise and vibration, surface water and sediment quality, soil quality, fish and vegetation).  Follow-up response: Surface water quality has been included in the dAIR as a potential environmental exposure pathway. | follows:  | Satisfied          |
| 43.             | List of<br>Candidate<br>Valued<br>Components<br>(April 2013 -<br>version C) | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013  | Table 2:<br>Preliminary<br>Valued<br>Components<br>and Rationale,<br>page 6 | HC advises that "HC's Noise Guidelines" referenced in the first row of the table do not exist, and should therefore be replaced with "DRAFT HC Noise Guidance" instead.  | Agree with comment "HC's Noise Guidelines" referenced in the first row of the table will be replaced with "DRAFT HC Noise Guidance."  Follow-up response: Table 2 has been updated accordingly to address this comment.  | Table 2: "HC's Noise Guidelines" will be replaced with "Draft HC's Noise Guidance."   | Satisfied          |
| 44.             | Candidate   | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013  | Table 2:<br>Preliminary<br>Valued<br>Components<br>and Rationale,<br>page 6 | With respect to the Air Quality VC (third row), please note that HC has expertise with regards to air quality human health effects, and may be added to the "Government Agencies" column for this VC.  | Agree with comment. HC can be added as suggested.  Follow-up response: Table 2 has been revised to reflect comment and expertise of Health Canada.   | Table 2: With respect to the Air Quality VC (third row) of Table 2: Preliminary Valued Components and Rationale, add HC to "Government Agencies" column.  | Satisfied          |
| 45.             | Candidate   | Health Canada<br>Yota Hatziantoniou,<br>May 22, 2013  | Table 2:<br>Preliminary<br>Valued<br>Components<br>and Rationale,<br>page 6 | HC advises that emissions of VOCs and PAHs also be considered as Air Quality VC indicators; especially if extensive use of diesel powered equipment is anticipated.  | Agree with comment. VOCs and PAHs are already planned to be used as modelling parameters.  Follow-up response: A call was conducted on June 14, 2013. During this call it was mentioned that VOCs and PAHs are already within the scope of the air quality model.  | Table 2: No action required.  | Satisfied          |
| 46.             |   | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013 | Section 5.2.6   | "HC suggests that air emissions from the shipping of the gold-silver doré product (whether by air or road) also be accounted for in the air quality effects assessment."   | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. During the call it was explained that no concentrate will be transported. In comparison to other materials that will be transported to the mine site, only small amounts of doré product will be transported.  | Version E: Text in Section 5.2.4 has been revised to include emissions from shipping in the emissions inventory.  Version G: No action required.  | Satisfied          |
| 47.             | (April 2013)  | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013 | Section<br>4.1, Table<br>4.1-1  | "HC advises that the Proponent's commitment to revise the current LSA/RSA study areas (e.g. if bio- physical effects are demonstrated outside of these) be added to the dAIR, version D, table 4.1-1 (pg.36) in the description section for the 'Environmental Exposures' VC (similar to the 'Noise and Vibration' VC)." | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. A commitment to expand LSA/RSAs, if required, has been included in the dAIR.   | Version E: Table 4.3-1 has been added to Section 4.3.1 and now describes the proposed spatial boundaries for all VCs. A note has been added under Human Health Environmental Exposures to state "the local study area for environmental exposures will be revised if biophysical effects are demonstrated outside of proposed spatial boundaries"  Version G: No action required. | Satisfied          |
| 48.             | D<br>(April 2013)   | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013 | Section 9.2.4   | "HC anticipates that dustfall/deposition of contaminants of potential concern or COPCs (i.e., metals) to soils will be modeled, such that concentrations of COPCs in fish, wild  | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. The dAIR has been  | Version E: Text in Section 9.2.2 has been revised with an additional bullet indicating that dustfall/deposition of contaminants will be modeled.  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version   | Author of Comment & Date of Comment  | dAIR Version<br>Reference   | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|---|--|---|--|--|--|--------------------|
|                 |   |  |   | game, and plant tissue can be predicted, and carried through to the human health risk assessment."   | updated to reflect the comment.  | Version G: No action required.   |                    |
| 49.             |   | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013                      | Section 9.2.4   | "HC advises that temporary or seasonal First Nations users of the project area may also need to be considered as potential noise receptors."   | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. Text has been included in the dAIR to reflect the comment and include First Nations.   | Version E: Text in Section 9.2.2 has been revised to explicitly include Aboriginal Groups.  Version G: No action required.   | Satisfied          |
| 50.             | ` '   | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013                      | Section 12  | "HC encourages the Proponent to collect game (i.e. small mammal) baseline data to augment their country foods baseline information, where possible to do so. Otherwise, a country foods follow-up monitoring program would be advisable to ensure that there are no unacceptable human health risks from the consumption of country foods obtained from the project area." | Agree with comment.  Follow-up response: A country foods monitoring plan will be developed as described in Section 9.2.2 of the dAIR. Traditional use plants have been added as indicator to the ecosystem composition VC.   | Version E: Text in Section 12.2 has been revised and a Country Foods Monitoring Plan has been added to the list of Management Plans.  Version G: The country foods monitoring plan was formerly referenced in Section 12.2., but is now described in Section 9.2.2 under the Environmental Exposures VC, because it is considered to be a monitoring plan rather than a management plan. | Satisfied          |
| 51.             |   | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013                      | Section 9.2.4.2   | "HC advises that Section 9.2.4.2 of dAIR, version D (pp. 134-135) be revised to clearly indicate that a quantitative human health risk assessment will be undertaken if there are any potential pathways for human exposure to COPCs (i.e. from changes to air quality, drinking water quality and contamination of country foods)."                                       | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. The dAIR has been amended to include the comment.  | Version E: A quantitative human health risk assessment will be undertaken and a bullet has been edited to make this clear under Section 9.2.2.  Version G: No action required.   | Satisfied          |
| 52.             | D (July 2013) & List of Candidate Valued Compone nts (April 2013 - version C) | Health Canada<br>Yota Hatziantoniou,<br>July 24, 2013                      | Section 4.1-1<br>Version D,<br>various,<br>Companion<br>Document (VC) | "HC suggests that the term 'quality of country foods' (used in both the dAIR and draft VC document) is ambiguous, and could be replaced instead with 'contamination of country foods' to provide greater clarity in terms of which aspect(s) of country foods will be assessed."   | Agree with comment.  Follow-up response: A call was conducted on June 14, 2013. The dAIR has been amended to reflection comment.   | Version E: Text in Table 4.2-1 has been revised and "contamination of country foods" has been added to the list of indicators for Environmental Exposures  Version G: No action required.  | Satisfied          |
| 53.             | B<br>(April 2013)   | Canadian<br>Environmental<br>Assessment Agency<br>(CEAA)<br>April 10, 2013 | Section 2.2   | The proposed Project has not been designated as a major resource project pursuant to the federal Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects" - this is not my understanding.  | Agree with comment.  | Version C: The statement has been deleted from the dAIR.  Version G: No action required.   | Satisfied          |
| 54.             | B<br>(April 2013)   | CEAA,<br>April 10, 2013  | Section 2.4   | Use decommissioning instead of closure.  | Follow-up response: The term closure is recommended rather than the term decommissioning because it is more inclusive and better reflects the mine life cycle and takes into account other activities such as clean-up, re-contouring, re-vegetation, reclamation which are implemented during the closure phase of the Project (footnote in section 2.2.2). | Version C: The term closure is recommended rather than the term decommissioning because it is more inclusive and better reflects the mine life cycle and takes into account other activities such as clean-up, recontouring, re-vegetation, reclamation which are implemented during the closure phase of the Project (footnote in section 2.2.2).  Version G: No action required.       | Satisfied          |
| 55.             | B<br>(April 2013)   | CEAA,<br>April 10, 2013  | Section 3.1   | List of applicable milestones (including any federal milestones under substitution) - not required, not a substituted process.   | Comment noted.   | Version C: Comment noted; statement in brackets deleted.   | Satisfied          |
|                 |   |  |   |  |  | Version G: No action required.   |                    |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment          | dAIR Version<br>Reference                        | Comment  | Proponent Response  | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|--|--|--|---|---|--------------------|
| 56.             | D<br>(July 2013         | CEAA<br>Christal Nieman,<br>August 20, 2013  | Section 2.2                                      | "Page 3, section 2.2 – CEAA requests that the dAIR be amended to read: "The Agency published a Notice of Environmental Assessment Determination on 21 December 2012 indicating that a federal EA is required."   | Agree with comment.   | Version E: Section 2.2 has been edited.  Version G: No action required.   | Satisfied          |
| 57.             | D<br>(July 2013         | CEAA<br>Christal Nieman,<br>August 20, 2013  | Section 4.1.4.1                                  | "Page 49, section 4.1.4.1 – For your consideration, Chu Molybdenum Mine currently does not meet CEAA's test for 'reasonably foreseeable' for the purposes of the cumulative effects assessment:  http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic_document_347_35860.html  In addition, EAO issued a section 11 order on March 8, 2013 for the Nulki Hills Wind Project:  http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic_document_391_35416.html  CEAA recommends this also be included to show recent progress on the Project." | Agree with comment.  Follow-up response: Section 4.3.5.5 of the dAIR version G lists the Nulki Hills Wind Project as one of the projects identified as possible candidates for inclusion in the assessment of cumulative effects.   | Version E: Section 4.3.5 has been edited and Chu Molybdenum Mine has been removed from the list of possible candidates for inclusion in the assessment of cumulative effects.  Version G: No action required. | Satisfied          |
| 58.             | D<br>(July 2013         | CEAA<br>Christal Nieman,<br>August 20, 2013  | Part C, Section<br>14, Section 17,<br>Section 18 | "Page 145, part C, Page 146, section 14, Page 149, section 17 and Page 150, section 18 – CEAA recommends changing the headings to reflect the use of "Aboriginal groups" throughout the document."   | Agree with comment.   | Version E: Global change has been made in the dAIR to replace First Nations with Aboriginal Groups.  Version G: No action required.   | Satisfied          |
| 59.             | F<br>(November<br>2013) | CEAA<br>Christal Nieman,<br>December 3, 2013 | Page XVIII                                       | Clarification of what is meant by the following bullet point: "Information on any other EA approval processes that the proposed Project is undergoing (if applicable), especially if they interact or overlap with the CEA Act 2012."  | Comment noted. This bullet point was incorporated from the dAIR template prepared by the Environmental Assessment Office on February 7, 2013. The dAIR template presents some further information that this bullet refers to: "For example, National Environmental Policy Act, Presidential Permits, Yukon Environmental and Socio-Economic Assessment Act, Aboriginal EA process, etc. (and identify opportunities for harmonization/cooperation."               | Version G: No action required.  | Satisfied          |
| 60.             | F<br>(November<br>2013) | CEAA<br>Christal Nieman,<br>December 3, 2013 | Part A, Section 3.2                              | "The Issues Tracking Table to document issues and  | Comment noted. This bullet point was incorporated from the dAIR template prepared by the Environmental Assessment Office on February 7, 2013. The dAIR template presents the following text for Section 3.2 (Federal Assessment): "Provide an issues tracking table to document issues and concerns raised during the preparation of the AIR and the Application. [EAO project leads will provide Proponents with guidance on preparing issues tracking tables.]" | Version G: No action required.  | Satisfied          |
| 61.             | `                       | CEAA<br>Christal Nieman,<br>December 3, 2013 | Part C   | Suggest rewording the following bullet point as it is not accurate:  "The Aboriginal groups currently identified by the EAO and the Agency for the Application/EIS are as follows." The Agency has also identified the Métis Nation British Columbia and does not have Schedules B and C.  | Agree with comment.   | Version G: Instead of a bullet list, a table has been added to Part C of the dAIR to list Aboriginal Groups and clearly distinguish between Section 11 Order and EIS Guidelines.                              | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment  | dAIR Version<br>Reference | Comment  | Proponent Response  | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|--|---------------------------|--|---|--|--------------------|
| 1.              | C<br>(April 2013)       | Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013  | Section 4.1               | Assessment Methodology - General Approach: When speaking to cumulative effects the term reasonably foreseeable future may need to be future defined as it is rather subjective. The list of projects in section 4.1.4.1 used during the assessment only include those that have already entered into the EAO process. The term reasonable foreseeable future may be misleading as it may lead to an assumption that advanced exploration programs should be assess as a mine rather than exploration.  | Agree with comment. The definition of the term "reasonably foreseeable" activity used in the assessment of cumulative effects corresponds with the following definition presented under the heading "Examining Physical Activities That Will Be Carried Out" in the Agency's, May 2013, "Operational Policy Statement, Assessing Cumulative Environmental Effects" under the Canadian Environmental Assessment Act, 2012:  Reasonably Foreseeable: the physical activity is expected to proceed, e.g. the proponent has publicly disclosed its intention to seek the necessary EA or other authorizations to proceed.   | Version D: The following definition for "certain" and "reasonably foreseeable" future activities according to "Operational Policy Statement Assessing Cumulative Environmental Effects" under the <i>Canadian Environmental Assessment Act</i> , 2012 was added to Section 4.1:  certain (the physical activity will proceed or there is a high probability that the physical activity will proceed, e.g., proponent has received the necessary authorizations or is in the process of obtaining those authorizations).  and reasonably foreseeable (the physical activity is expected to proceed, e.g., the proponent has publicly disclosed its intention to seek the  | Satisfied          |
|                 |                         | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Omineca Region<br>Zsolt Sary, R.P.Bio.<br>February 25, 2014 |                           | Follow-up comment: Our section (FLNRO, Omineca Land based Stewardship, Ecosystems Section) has been in ongoing contact and discussion with the proponent and their consultants, for a number of months, regarding the assessment of aquatic and terrestrial environmental values. We feel that the environmental baseline and impact assessments are on the right track for this project, and the proponent's Application Information Requirements document includes the appropriate valued environmental components, as well as assessment methods. As a result, we do not have further comments on the dAIR document at this time. | Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented.  Section 4 of the dAIR version G has been updated to reflect BC EAO guidelines and section 4.3.5.5. provides further guidance on determining the need for cumulative effects assessment. Section 4 also lists the major projects being considered.   | necessary EA or other authorizations to proceed) (Agency 2013c).  Uncertainties and assumptions used in the significance assessment will be presented in the Application.  Add complete reference in Reference Section: Agency. 2013c. Operational Policy Statement, Assessing Cumulative Environmental Effects under the Canadian Environmental Assessment Act, 2012. May 2013. Available at http://www.ceaa-acee.gc.ca/default.asp?lang=En&n=1DA9E048-1. (Accessed July 2013).  Version G: The list of major projects for cumulative effects assessment has been updated in section 4.   |                    |
| 2.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013                                | Section 4.1.2             | be expanded to account to the larger ranges used by the species. I   | Comment noted. The RSA will be expanded to include the ungulate winter range of the Tweedsmuir-Entiako herd up to the Tweedsmuir-Entiako Park boundary. Wildlife including grizzly bears and caribou will be assessed in this RSA. The grizzly bear, however, will also be assessed relative to population units. Caribou will be assessed in the RSA, but also assessed relative to the entire range of the Tweedsmuir-Entiako herd.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. Wildlife habitat suitability modeling approach was presented to members of the working group during a meeting on December 19 <sup>th</sup> . On December 4, preliminary habitat suitability modeling results were presented to the same group and the results pertaining Caribou were further discussed with the Caribou working group on December 6. Feedback received from the Caribou sub-working group requested that the Regional Study Area for Caribou be expanded to include the range of both the Tweedsmuir-Entiako and Itcha-Ilgachuz herd. Updates to dAIR version G have been made accordingly. | Version D: Updated Figure 4.1-6 Wildlife and Wildlife Habitat; Updated Table 4.1-1 with the following RSA definition:  • Mine site: Includes ungulate winter range established for the Tweedsmuir-Entiako caribou herd (U-7-012). The western and southern edges of the RSA outline these winter ranges. The southwestern boundary follows the Upper Blackwater Management Zone where the RSA then follows the Kluskus-Blue FSR Blue Road until it reaches the Ootsa – Kluskus-Ootsa FSR and follows this north until it reaches the Nechako Reservoir. The northern boundary of the RSA follows the shoreline of the Nechako Reservoir  • Transmission line, access road and water supply pipeline: Approximate 1 km buffer from the footprint.  Version G: Table 4.3-1 "Valued Components Candidates and Proposed Spatial Boundaries" has been updated to explain that the RSA for the Caribou VC considers the range of both the Tweedsmuir-Entiako and Itcha-Ilgachuz herd. Figure 4.3-7 has been added to the dAIR to illustrate the extent of the RSA for Caribou. | Satisfied          |
| 3.              | C<br>(April 2013)       |  | Section 4.1.4.1           | Assessment of Project Effects and Cumulative Effects: When speaking to cumulative effects the term reasonably foreseeable future may need to be future defined as it is rather subjective. The list of projects in section 4.1.4.1 used during the assessment only include those that have already entered into the EAO process. The term reasonable foreseeable future may be misleading as it may lead to an assumption that advanced exploration programs should be assess as a mine rather than exploration.  Follow-up comment: See # 1   | Agree with comment.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented. Updates to the dAIR have been made accordingly.  Section 4 of the dAIR version G has been updated to reflect BC EAO guidelines and section 4.3.5.5. provides further guidance on determining the need for cumulative effects assessment. Section 4 also lists the major projects being considered.  | Version D: The following definition for "certain" and "reasonably foreseeable" future activities according to "Operational Policy Statement Assessing Cumulative Environmental Effects" under the <i>Canadian Environmental Assessment Act</i> , 2012 was added to Section 4.1:  certain (the physical activity will proceed or there is a high probability that the physical activity will proceed, e.g., proponent has received the necessary authorizations or is in the process of obtaining those authorizations).  and reasonably foreseeable (the physical activity is expected to proceed, e.g., the proponent has publicly disclosed its intention to seek the necessary EA or other authorizations to proceed) (Agency 2013c).   | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version |   | R Version<br>eference | Comment  | Proponent Response  | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|-----------------------|--|---|--|--------------------|
|                 |                         |   |                       |  |   | Uncertainties and assumptions used in the significance assessment will be presented in the Application.  Add complete reference in Reference Section: Agency. 2013c. Operational Policy Statement, Assessing Cumulative Environmental Effects under the Canadian Environmental Assessment Act, 2012. May 2013. Available at http://www.ceaa-acee.gc.ca/default.asp?lang=En&n=1DA9E048-1. (Accessed July 2013).  Version G: The list of major projects for cumulative effects assessment has been updated in section 4. |                    |
| 4.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 |                       | Range use should be added as a general land use that will be used to determine the potential contribution to cumulative effects.  Follow-Up Comment: See #1  | Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and   | Version D: Range use was added to the list of land uses identified in Sections 4.1.4.1 and 7.1.2.  Version G: Former Section 4.1.4.1 "Assessment of Project Effects and Cumulative Effects" was re-structured and the Section 4.3.5.5 "Determining the Need for Cumulative Effects Assessment" presents the list of general land uses (including range use) that will be considered for the assessment of cumulative effects.  | Satisfied          |
| 5.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 |                       | Wetlands: Habitat function should consider not only biodiversity but what specific species are using the habitat. The question is whether a wetland providing habitat for a listed or regionally significant species will be evaluated differently? It is not clear if this will be linked to the individual key indicators under the wildlife VCs or would be capture under this VC.  Follow-up comment: See #1 | effects on their wetland habitat will be discussed under the wildlife discipline.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to | Version D: The reference, Hanson, A., L. Swanson, D. Ewing, G. Grabas, S. Meyer, L. Ross, M. Watmough, and J. Kirkby. 2008. Wetland Ecological Functions Assessment: An Overview of Approaches. Canadian Wildlife Service Technical Report Series No. 497. Atlantic region. 59pp (Accessed at: http://wetkit.net/docs/WA_TechReport497_en.pdf) was added to the Reference Section and citation (Hanson et al. EC 2008) was added to Section 5.1.2.5 of the dAIR.  Version G: No change required.                       | Satisfied          |
| 6.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 |                       | Wildlife and Wildlife Habitat: Rare and listed species: Will species such as caribou and grizzly bears be discussed twice, both under the Rare and listed species subheading and the mammal sub-heading? It is my understanding the rare and listed species make up a component of the key indicators.  Follow-up comment: See #1  | Duplications will be avoided. Rare and listed species will be identified in a table in the baseline. The discussion of wildlife prerequisites is also presented in the baseline. The detailed discussion of potential effects will  | Version D: No action required.  Version G: No change required.   | Satisfied          |
| 7.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 |                       | Wildlife and Wildlife Habitat: Field surveys for raptors should include nest surveys within the proposed footprint.  Follow-up comment: See #1   | observations. Nesting surveys will be conducted prior to clearing. This   | Version D: No action required.  Version G: No change required.   | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference | Comment   | Proponent Response  | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|---------------------------|---|---|--|--------------------|
|                 |                         |   |                           |   | management (Section 12.2). Nesting surveys prior to clearing will apply during the breeding season for birds and would vary from late winter for owls, to May-July for other species. No follow-up action was required to update the dAIR.  |  |                    |
| 8.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Section 5.1.3.4           | Wildlife and Wildlife Habitat: Restricting mammal surveys to winter only captures information only on winter use of the site. This provides an incomplete picture of the how the habitat is used.  Follow-up comment: See #1  | Comment noted. Wildlife surveys have been conducted during all seasons of the year during which incidental sightings of mammals were recorded. Baseline historic resources identified the need for specialized surveys, such as bear-kokanee and bear denning surveys.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: Second bullet regarding mammals in Section 5.1.3.4 was revised as follows:  • Mammals: field surveys for mammals are separated into winter mammal surveys, incidental observations of mammals, and bat surveys. Winter mammal surveys involve aerial and ground based transects recording wildlife and wildlife sign following RISC protocol. Bat inventory methods adhere to modified RISC standards that use the analysis of sound recordings (RISC 1998b). Limiting seasons/habitats that require specific surveys will also be discussed.  Version G: No change required. | Satisfied          |
| 9.              | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Section 5.3.6.2           | Wetlands - Potential Effects of the Proposed Project and Proposed Mitigation: The results of the effects assessment should include indirect effects such as the wetland losses which cannot be quantitatively assessed by applying the footprint to the baseline, but rather losses because of changes in hydrology.  Follow-up comment: See #1   | Comment noted. Potential effects on wetlands caused by hydrological changes will be assessed qualitatively. Potential drawdown of groundwater around the open pit will be considered in the wetlands assessment.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: Section 5.3.9.2 of the dAIR was revised as follows:  • Identification of potential effects on wetlands, including wetland functions described in the baseline report, associated with the proposed Project development. Potential effects (i.e., wetland losses, effects caused by hydrological changes, and effects caused by groundwater drawdown) will be quantitatively and qualitatively assessed as appropriate by comparing baseline conditions with proposed development;  Version G: No change required.   | Satisfied          |
| 10.             | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Section 5.4.7.2           | Bird Valued Components - Potential Effects of the Proposed Project and Proposed Mitigation: The assessment should consider the impacts to alternative habitat to Clark's nutcracker. If the project will be impacting whitebark pine an assessment of the impacts to alternative habitat for the nutcracker would provide a better understanding how the population will be maintained given the loss on a food source. | Comment noted. The assessment considers the following:  • Terrestrial habitat, including the quality and quantity of any lost habitat for relevant species of birds;  • Feeding, nesting, or breeding habitats; This includes assessment of impacts to alternative habitat for Clark's nutcracker to provide a better understanding how the population will be maintained given the reduction in food and habitat for Clark's nutcracker.   | Version D: No action required.   | Satisfied          |
|                 |                         |   |                           | Follow-up comment: See #1   | Follow-up response:  Section 5.4.8.2 Water Birds of the dAIR states that:  "The assessment considers the following:  • Aquatic and riparian habitat, including the quality and quantity of any lost habitat for relevant species of birds;  • Feeding, nesting, or breeding habitats;"  Section 5.4.9.2 Forest and Grassland Birds of the dAIR states that:  "The assessment considers the following:  • Terrestrial habitat, including the quality and quantity of any lost habitat for relevant species of birds;  • Feeding, nesting, or breeding habitats;"  A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up |  |                    |
|                 |                         |   |                           |   | action was identified with respect to response and dAIR action presented.   |  |                    |
| 11.             | C<br>(April 2013)       | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations                                   | Section 5.4.8.2           | Mammal Valued Components - Potential Effects of the Proposed Project and Proposed Mitigation: The assessment must consider the impact of increased access and indirect mortality of species through increase hunting opportunities  | Agree with comment. Potential implications on predator-prey dynamics will be considered in the mammals effects assessment (Section 5.4.8 of the Application) through habitat suitability modelling.   | Version D: Revised Section 5.4.11.2 of the dAIR to include the following bullet:  • Increased access and indirect mortality of species through increased hunting opportunities or improved access for predator species;  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version   | Author of Comment<br>&<br>Date of Comment<br>Kevin Hoekstra<br>May 16, 2013                         | dAIR Version<br>Reference                                       | Comment  or improved access for predator species. The assessment should also include potential implications on predator prey dynamics, particularly when considering caribou.   | Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to   | Action dAIR     Potential implications to predator - prey dynamics from changes in habitat suitability  Version G: No change required.   | EAO Comment/Status |
|-----------------|---|---|---|---|--|--|--------------------|
| 12.             | C<br>(April 2013)   | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Section 7.1.2   | Non-Traditional Land and Resource Use: The assessment must consider the impact of increased access and indirect mortality of species through increase hunting opportunities or improved access for predator species. The assessment should also include potential implications on predator prey dynamics, particularly when considering caribou.  Follow-up comment: See #1 | response and dAIR action presented.  Agree with comment. Potential implications on predator-prey dynamics will   | Version G: No change required.  Version D: No action required.  Version G: No change required.   | Satisfied          |
|                 | List of<br>Candidate<br>Valued<br>Components<br>(April 2013 -<br>version C) | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Table 1:<br>Candidate<br>Valued<br>Components and<br>Indicators | Terrestrial Environment Plant species and ecosystems at risk:  White bark pine should be specifically identified as a proposed indicator as it has already been identified in the project area.  Follow-up comment: See #1  | Agree with comment.  Follow-up response: Table 4.2-1 of version G lists Plant species and ecosystem at risk as a VC and the factors/ indicators are SARA species (including White bark pine) and Ecological health.  | Version D: The white bark pine was added as an indicator for the plant species and ecosystems at risk VC. Table 4.1-1 was revised to include white bark pine as an indicator for the plant species and ecosystems at risk VC.  Table 1 of companion document to dAIR was revised.  Version G: No change required. The VCs and indicators/factors are now presented in Table 4.2-1 of dAIR version G. | Satisfied          |
|                 | List of<br>Candidate<br>Valued<br>Components<br>(April 2013 -<br>version C) | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 |   | Birds: Sharp-tailed grouse should be included as a proposed indicator since the project overlaps the Columbian sub-species of sharp-tail grouse, particularly the forest ecotype.  Follow-up comment: See #1  | Comment noted. Sharp-tailed grouse will not be proposed as an indicator for VCs. This bird species is not representing a larger group of birds. Its presence has been identified mainly in disturbed habitat (cut-blocks).  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was requested after response has been presented. An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment. | Version D: No action required.  Version G: No change required.   | Satisfied          |
|                 | Valued<br>Components<br>and Indicators                                      | Ministry of Forests,<br>Lands & Natural<br>Resource<br>Operations<br>Kevin Hoekstra<br>May 16, 2013 | Table 1:<br>Candidate<br>Valued<br>Components and<br>Indicators | Birds: Clark's nutcracker should be considered either as part of the birds or in conjunction with the whitebark pine. This species is critical to whitebark pine so a clear understanding of the impacts to the species will essential to understanding the impact to whitebark pine and its recovery.  Follow-up comment: See #1   | Comment noted. Clark's nutcracker effects will be considered to assess potential effects on white bark pine. The Clark's nutcracker will be added as an indicator to Birds Valued Components.  Follow-up response: A conference call with Kevin Hoekstra was conducted on May 27 <sup>th</sup> , 2013 to discuss this dAIR comment and response. No follow-up action was identified with respect to response and dAIR action presented. Both the Clark's nutcracker and its habitat are considered indicators for the 'Forest and Grassland Birds' VC.   | Version D: Table 4.1-1 was revised to include Clark's nutcracker as an indicator for Birds Valued Components.  Table 1 of companion document to dAIR was revised.  Version G: No change required.  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment   | dAIR Version<br>Reference  | Comment   | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|--|---|--|--|--------------------|
| 16.             | C<br>(April 2013)       | FLNRO<br>Nathan Voth<br>May 23, 2013  | Section 2.8,<br>Table 2.8 1:<br>Potential<br>Provincial<br>Permits,<br>Licenses, and<br>Authorizations<br>Required for the<br>Proposed Project | Occupant Licence to Cut - Sec 47 - Change "47" to "47.4" (Sec 47 was repeated)  | Agreed with comment.  Follow-up response: No follow-up action was identified with respect to response and dAIR action presented. A conference call was not held but an email was sent to Nathan Voth on 7 <sup>th</sup> June, 2013 to inform him that his comments will be incorporated in the dAIR. | Version D: Revised Table 2.8-1.  Version G: No change required.  | Satisfied          |
| 17.             | C<br>(April 2013)       | FLNRO<br>Nathan Voth<br>May 23, 2013  | Section 2.8,<br>Table 2.8 1:<br>Potential<br>Provincial<br>Permits,<br>Licenses, and<br>Authorizations<br>Required for the<br>Proposed Project | Forest Protection Code (FPC) Act, Forest Use Regulations, Forest and Range Practice Act - Change "Protection" to "Practices" (it is the Forest Practices Code Act); Add "Provincial" (it is the "Provincial Forest Use Regulation")   | Agreed with comment.  Follow-up response: No follow-up action was identified with respect to response and dAIR action presented. A conference call was not held but an email was sent to Nathan Voth on 7 <sup>th</sup> June, 2013 to inform him that his comments will be incorporated in the dAIR. | Version D: Revised Table 2.8-1.  Version G: No change required.  | Satisfied          |
| 18.             | C<br>(April 2013)       | FLNRO<br>Nathan Voth<br>May 23, 2013  | Section 2.8,<br>Table 2.8 1:<br>Potential<br>Provincial<br>Permits,<br>Licenses, and<br>Authorizations<br>Required for the<br>Proposed Project | FPC Act, Forest Use Regulations, Forest and Range Practice Act - Add "Provincial" (it is the "Provincial Forest Use Regulation")  | Agreed with comment.  Follow-up response: No follow-up action was identified with respect to response and dAIR action presented. A conference call was not held but an email was sent to Nathan Voth on 7 <sup>th</sup> June, 2013 to inform him that his comments will be incorporated in the dAIR. | Version D: Revised Table 2.8-1.  Version G: No change required.  | Satisfied          |
| 19.             | C<br>(April 2013)       | FLNRO<br>Nathan Voth<br>May 23, 2013  | Section 2.8,<br>Table 2.8 1:<br>Potential<br>Provincial<br>Permits,<br>Licenses, and<br>Authorizations<br>Required for the<br>Proposed Project | Burning Permit - Change "Burning Permit" to "Burn registration number" and insert new row with "Wildfire Act, Wildfire Regulation" and Insert "Forest and Range Protection – Part 1, Authority of Government for Fire Prevention and Fire Control – Part 2" and Insert "BC MFLNRO"  | Agreed with comment.  Follow-up response: No follow-up action was identified with respect to response and dAIR action presented. A conference call was not held but an email was sent to Nathan Voth on 7 <sup>th</sup> June, 2013 to inform him that his comments will be incorporated in the dAIR. | Version D: Revised Table 2.8-1.  Version G: No change required.  | Satisfied          |
| 20.             | C<br>(April 2013)       | FLNRO<br>Nathan Voth<br>May 23, 2013  | Section 2.8,<br>Table 2.8 1:<br>Potential<br>Provincial<br>Permits,<br>Licenses, and<br>Authorizations<br>Required for the<br>Proposed Project | Wildfire Act - Change "Wildfire Act" to "Wildlife Act" (the Closed Area Regulation is under the Wildlife Act) and Change "BC FLNRO" to "BC MOE"   | Agreed with comment.  Follow-up response: No follow-up action was identified with respect to response and dAIR action presented. A conference call was not held but an email was sent to Nathan Voth on 7 <sup>th</sup> June, 2013 to inform him that his comments will be incorporated in the dAIR. | Version D: Revised Table 2.8-1.  Version G: No change required.  | Satisfied          |
| 21.             | C<br>(April 2013)       | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 | Section 2.2.2,<br>page 5, para 3   | 1.) <u>Baseline Studies:</u> As noted in the report and during recent meetings, the baseline studies are on-going. This includes data collected during the 2012-13 winter period. It is hoped that the 2013 baseline data, especially the winter to fall period can be included in the application to further augment the assessment. |  | Version D: Included the following text in Paragraph 3 of Section 2.2.2: Where applicable, results from the environmental baseline studies up to the third quarter of 2013 will be included in the Application.  Version G: No change required. | Satisfied          |



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|-----------------|-------------------------|---|---------------------------------|--|---|---|--------------------|
| 22.             | C (April 2013)          |   | Section 2.2.3, page 7           | NPR's <2" are often defined for mining projects (and considered conservative when 2 is used as the cut-off), this reviewer does not prescribe to this generalized view for the following reasons: the application of site specific criteria and NPR of ~ 2 for waste rock generally ignores the geological caveats associated with this classification; it does not factor in the heterogeneity of typical | Comment noted. The ML/ARD characterization program has a very robust static and kinetic testing program that will allow refinement of the NPR threshold between PAG and non-PAG rock. This includes field leaching tests in addition to laboratory kinetic tests. The NPR threshold of 2 is aligned with the ABA criteria in the MEND 1.20.1 Prediction Manual Report. Mineralogical and chemical analysis of samples will be used to support the geological caveats associated with the NPR 2 classification in the Application. ML/ARD characterization includes detailed testing of non-PAG rock to ensure its suitability for site construction both upstream and downstream of collection / control. This will also be addressed in the Application. Assumptions and uncertainties will be clearly described in Section 5.1.3 of the Application.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented. Modelling approach and preliminary results were presented to BC MOE, Environment Canada and Ministry of Energy and Mines in October 2013. |   | Satisfied          |
| 23.             | C<br>(April 2013)       | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 | Section 2.7, page<br>17         | e 3.) Post-closure costing relates to very long-term site conditions and therefore a complete rationale must be provided for the period of time chosen; with considerations given as to how the site may evolve over time, and how this could affect on-going management requirements and therefore costs and securities.  | Agree with comment. A complete rationale for closure and post-closure with considerations given as to how the site may evolve over time, and how this could affect on-going management requirements and therefore costs and securities, will be included in the Application.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  To note, Version G of the dAIR states "Estimated operating costs over the life of the proposed Project (for land, buildings, and equipment) including: cost for closure and post-closure;" Also, Version G has been updated to include a new section 2.6 Reclamation and Closure Plan that will further detail the rationale.  | Version G: No change required.  | Satisfied          |
|                 | C<br>(April 2013)       | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 | Section 4.1, page<br>25         | e 4.) For both the project specific residual effects, and residual cumulative effects, please include the uncertainties and assumptions used in the significance assessment, as well as the duration of the expected residual effects and how these effects may change over time.  | Comment noted. This recommendation has been adopted and the necessary explanation will be included in the methods section of the Application and included in the effects assessment. The duration of the residual effect is considered one of the attributes to be assessed for determination of the significance of the residual effects.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  To note, in the Methods section duration refers to the length of time the effect lasts and can be defined as short-term, medium-term, long-term or chronic (permanent).  | Version D: The following text was included in paragraph 5 after Figure 4.1-1: Uncertainties and assumptions used in the significance assessment will be presented in the Application.  Version G: No change required. | Satisfied          |
| 25.             | C<br>(April 2013)       |   | Section 4.1, page<br>26, para 4 | e 5.) Potential Effects. The approach described in this section - where both pre-and post mitigation project effects are discussed and linked to residual effects will enable reviewers to gain a clearer  | Comment noted. Those components, which will permanently be changed and cannot effectively be mitigated due to the fundamental change to the existing landscape, will be clearly described in the Application. These will  | Version D: This pre-and post mitigation information was included in the summary of project interactions and as the basis for the effects assessment.  | Satisfied          |



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|-----------------|-------------------------|--|---------------------------------|--|--|---|--------------------|
| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                                  | dAIR Version<br>Reference       | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|                 |                         | Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 |                                 | picture of the potential effectiveness, or areas of concern, with the variously proposed mitigation strategies. To ensure that the effects assessment adequately details the overall effect of the proposed project, please clearly describe those components which will permanently be changed and cannot effectively be mitigated due to the fundamental change to the existing landscape. This would include the effects to/from the: a. Overall project landscape, b. Open pit, c. Tailings facility, d. Waste rock dumps, e. Other site components permanently and irreparably altered. f. How are these elements likely to evolve over time and at what scale? | b. Open pit, c. Tailings facility, d. Waste rock dumps, e. How these elements are likely to evolve over time and scale, f. Other site components permanently altered that are identified during the effects assessment.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. As outlined in section 4 of the dAIR, mitigation measures will be proposed for each VC as required, taking into consideration the magnitude and duration of the potential effects of the proposed Project. The mitigation measures will be discussed in relation to their expected effectiveness and the associated uncertainty. After mitigation measures have been applied, residual effects are determined. Project components (off-site and on-site infrastructure) are presented in table 2.2.1 of the dAIR. As stated in Section 2 of the dAIR, a project overview section will be provided in the Application. The Appendix to this project overview section will consist of a compilation of Feasibility Level studies that will provide detailed information for the main project components including scale and will address how they are likely to evolve overtime. | Version G: No change required.  |                    |
|                 |                         |  |                                 |  | The effects assessment under each VC will address key interactions of each of the project components with the VCs.   |   |                    |
| 26.             | C<br>(April 2013)       |  | Section 4.1, page<br>26, para 4 | 6.) In the assumptions regarding the effectiveness of the proposed mitigation strategies, and the subsequent impacts on the environment, please include a quantification of the assumptions regarding the effectiveness of the mitigation strategies and the resultant influence on the effects assessment. (i.e., is it assumed that the employed mitigation strategy is 100% effective all the time?   | environment, assumptions regarding the effectiveness of the mitigation strategies and the resultant influence on the effects assessment will be included wherever possible.  | Version D: Where the assessment determines that the mitigation may not be fully satisfactory, recommendations for follow-up monitoring of the mitigation success will be identified. Following management system principles, the lessons learned will be utilized as necessary to improve upon the mitigation measure.  | Satisfied          |
|                 |                         | May 24, 2013   |                                 | If expected to be 75% effective, what are the implications and effects? Will the mitigation effectiveness degrade over time? If so, how will this be addressed?).  | Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  | Version G: No change required.  |                    |
|                 |                         |  |                                 |  | As outlined in section 4 of the dAIR, mitigation measures will be proposed for each VC as required, taking into consideration the magnitude and duration of the potential effects of the proposed Project. The mitigation measures will be discussed in relation to their expected effectiveness and the uncertainty associated.   |   |                    |
|                 |                         |  |                                 |  | The effectiveness of mitigation measures will also be considered when determining confidence as a category to characterize the level of uncertainty associated with both, the significance and likelihood determinations. When there is a low confidence in residual effect prediction the necessity of additional risk analysis may be proposed.  |   |                    |
| 27.             | C<br>(April 2013)       |  | Section 4.1.3,<br>page 44       | 7.) Temporal Boundaries: For the post closure phase, please provide a description and discussion on the permanency, duration, on-going requirements and overall effects of the disturbed landscape on the local and regional scale.  | requirements and overall effects of the disturbed landscape on the local and regional scale will be provided.  | Version D: The following text was added to Section 4.1.3: -closure phase starts following completion of reclamation and rehabilitation activities proposed during the closure period. The post-closure phase considers the period of time that would be required for the open pit to flood and start discharging towards the TSF, and the additional time that would take the TSF to start overflowing and discharging water back to Davidson Creek. This period of time is expected to last approximately 25 years | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference | Comment   | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|---------------------------|---|--|---|--------------------|
|                 |                         | May 24, 2013  |                           |   | Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Version G of the dAIR has the following text is Section 4.3.1.2:  Post-closure phase: the post-closure phase starts once the proposed Mine Site starts discharging water back to Davidson Creek (starting in Year 35). At this stage, it is expected that the Mine Site would have reached an equilibrium and only maintenance and monitoring activities will be required.  | following closure (Year 45).  Version G: No change required.  |                    |
| 28.             | C (April 2013)          |   | Section 5.1.2.3, page 52  | is made to providing a geologic description as it applies to the various VC's. As the geology is critical in defining mine design, mining methods, potential effects, mitigation applications, etc., the  | Comment noted. The ML/ARD characterization will include a summary of the deposit geology with a specific focus on how it relates to the ARD potential.  The characterization discuss in detail five distinct waste rock types and their management. The two key elements of the data management and interpretation indicated in the comment will be included in the assessment.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Section 5.1.3.1 "Geology and Geochemistry" will present details on the geology and geochemistry baseline characterization.  Discreet population analysis and assessments in terms of lithology, alteration, mine development products will be conducted as part of the ML/ARD characterization report, which will be presented in an Appendix to Section 5.1.3.1. The geochemical attributes are presented using lithology and ARD classification. | Version D: No action required.  Version G: Section 5.1.3.1 "Geology and Geochemistry" of the dAIR version G has been revised to include the following information:  "The ML/ARD characterization is a robust program that uses industry best practices to understand the geochemical behavior of the waste rock, ore and tailings. The testing program followed the recommendations in Price (1997) and MEND (2009)." | Satisfied          |
| 29.             | C<br>(April 2013)       | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 | not given                 |   | Comment noted. Predictive Models: The model limitations and sensitivities will be discussed and potential effects on the project design resulting from the modelling vagaries will be assessed.  Follow-up response: Follow-Up Response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Version G of the dAIR includes a "Limitations" section for each VC.  | explanation will be included in the descriptions of any models used to support the effects assessment and other relevant data on the Application.   | Satisfied          |
| 30.             | C<br>(April 2013)       | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>May 24, 2013 | not given                 | 10.) Report Discussions: One aspect of EA application reports that is often underemphasized are the discussions relating to data interpretation, conclusions and recommendations and the linking rationale that ties all of these together with the overall development plan, effects assessment and the mitigation strategies. These technical discussions are critical in assessing the validity of the application and should reflect the specific complexity of the given | Agree with comment. These aspects of the environmental effects assessment will be recognized and discussed in the effects assessment Sections 5, 6, 7, 8, and 9.  Follow-up response: A conference call was held on June 18 <sup>th</sup> 2013 to discuss Craig Stewart's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR  | Version D: No action required.  Version G: No change required.  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version  | Author of Comment & Date of Comment   | dAIR Version<br>Reference | Comment  | Proponent Response   | Action dAIR                    | EAO Comment/Status |
|-----------------|--|---|---------------------------|--|--|--------------------------------|--------------------|
|                 |  |   |                           | issue(s) being discussed.  | action presented.  The dAIR explains that Section 4 of the Application will describe the methodology to be used to assess the potential project effects and cumulative effects of the interaction of the proposed Project activities on the five pillars—environmental, economic, social, heritage, and health components. The assessment of residual project effects is focused on the key interactions identified between project components and the five pillars. Uncertainties and assumptions used in the significance assessment of residual effects and cumulative effects will be presented under each VC in the Application.  |                                |                    |
| 31.             | EFFECTS<br>PREDICTION  | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>November 6, 2013 | Not applicable            | Page 5, chart, project sources (water): It is noted that pit water discharge during operation goes to TSF Cell C for the first 3 yrs and then Cell D (main pond) thereafter during operations and into the closure/post-closure phases. Of note is that the TSF spillway is in close proximity to the Pit Lake/Waste Dump drainage ingress to the TSF; which may influence the actual TSF discharge due to short circuiting. If short-circuiting occurs within the TSF, there may be inadequate mixing and the actual discharge from the TSF would be different from the predicted totally mixed source term. The short-circuiting may be seasonal, vary in degree and likely would change over time with development; with post-closure conditions different from operations and immediate closure. Please include in the EA submission an assessment of the possibility of short-circuiting, predictive modelling for various water quality scenarios, implications if it occurs through the various project phases, and proposed mitigation strategies. | No updates to the dAIR are needed with regards to this comment.  | Version G: No action required. | Satisfied          |
| 32.             | Presentation:<br>WATER<br>QUALITY<br>EFFECTS<br>PREDICTION<br>S, OCTOBER<br>31, 2013 | Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review   | Not applicable            | Page 7, Source Terms Operations/Closure Groundwater: there is no direct groundwater source term applied. Is this an oversight or included elsewhere? Influence of groundwater needs to be fully discussed in application.  | Groundwater model particle tracking will be applied to all potential groundwater sources. If found that a small amount of (deep) groundwater seepage bypasses interception systems during and after operations (post closure) additional mitigation measures will be proposed to capture of collect and/or treat this seepage if necessary.  Source terms were presented in the presentation given on 31 October, 2013, but they were not explicitly indicated as such. Source terms are seepage from open pit water quality, waste rock dumps, and TSF. These are all considered as source terms in the water quality assessment.  No updates to the dAIR are needed with regards to this comment.  | Version G: No action required. | Satisfied          |
| 33.             | BLACKWATE<br>R PROJECT,<br>BC MEM  | Environment,  | Not applicable            | was considered to be steady state. Is this truly steady state or one plateau in a series of changing benchmarks? Are the tests still running? Update with the full data set is required for application and it is hoped that the tests continue to operate to provide a longer term data-set. Note: It is acknowledged from the meeting that this will primarily determine treatment requirements and management of any products as all run-off will be collected and treated.   | All drainage from the low grade ore stockpile will be collected and treated during operations. The low grade ore will be processed the last 3 years of operations. No low grade ore will be left on the surface at closure or post-closure. The LGO model used humidity cell test results through July. The geochemical tests were terminated in October 2013.  Humidity cell tests used the best available data at the time of modeling. The low grade ore humidity cell tests were terminated, but several PAG waste rock tests, with similar results to the low grade ore, are ongoing. It is expected that the Application will include an updated memorandum giving all HC results available at the time of submission.  The assessment of surface water flow and groundwater flow will be presented in Section 5.3.2 and 5.3.5 of the Application. A water balance model and groundwater Modflow model has been created for the different project phases, which provide information on surface and |                                | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version           | Author of Comment & Date of Comment  | dAIR Version<br>Reference | Comment   | Proponent Response  | Action dAIR         | EAO Comment/Status |
|-----------------|-----------------------------------|--|---------------------------|---|---|---------------------|--------------------|
|                 |                                   |  |                           |   | groundwater flows to be used for the effects assessment. The Modflow model will be used to simulate the groundwater flow from the low grade stockpile, and East and West NAG dumps. The groundwater flow originating from these dumps will be simulated using particle tracking, showing where the Modflow model predicts the affected groundwater will flow and discharge. Based on this information conservative water quality estimates will be presented.   |                     |                    |
|                 |                                   |  |                           |   | No updates to the dAIR are needed with regards to this comment.   |                     |                    |
| 34.             | BLACKWATE<br>R PROJECT,<br>BC MEM | Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer                                     | Not applicable            | Page 37: In the application, please provide an accurate description of the flows as they change with time as the site develops. i.e.) changes to flow patterns as TSF D and C usage changes. Along with the timing of these changes; as inputs and outputs are adjusted and added or subtracted over time through operation and into post-closure.  | The changes in flow patterns will be simulated in the Modflow groundwater model from construction, to operations, through closure and into the post closure phases. These changes will be shown in Modflow output figures, and accompanied by appropriate text explaining these changes. The assessment of surface water flow and groundwater flow will be presented in Section 5.3.2 and 5.3.5 of the Application.  No updates to the dAIR are needed with regards to this comment.  | lo action required. | Satisfied          |
| 35.             | BLACKWATE<br>R PROJECT,<br>BC MEM | Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer                                     | Not applicable            | Page 36/37 Ops/Closure Source terms Flow Charts These charts would benefit from identifying discharge points and receiving environment sampling locations relative to the process.  Note that the terminology of compliance needs to be discussed and clarified prior to application submission. What are compliance points? What are targets? What is the difference and how does it affect operations?  | A presentation was given on September 20, 2013. The charts used during this presentation were modified as requested by MOE and resubmitted. Environmental compliance aspects will be presented in Section 13 of the Application and the triggers for adaptive management in relation to water quality will be discussed in the Surface Water Quality effects assessment (Section 5.3.3) of the Application/EIS. Section 12.2 will describe how mitigation and adaptive management measures will be implemented during the construction, operations, closure and post-closure phases of the Project. | No action required. | Satisfied          |
|                 |                                   |  |                           |   | Compliance aspects will be addressed in Section 12.2 Environmental Management Plans of the Application. Compliance reporting will be addressed in Section 13 of the Application.  |                     |                    |
|                 |                                   |  |                           |   | The model nodes that this comment refers to in the presentation are WQ10/plunge pool, WQ7, WQ9 (as well as nodes on other drainages).   |                     |                    |
|                 |                                   |  |                           |   | No updates to the dAIR are needed with regards to this comment.   |                     |                    |
| 36.             |                                   | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>February 27, 2014 | General                   | As per the BC MOE (2012), Water and Air Baseline Monitoring Guidance Document for Mine Proponents and Operators, (i.e. pages 146 and 155), ensure that for all water quality, geology, geochemistry and other related data characterization and interpretation, that relevant statistical information such as median, range, standard deviation, etc. are included. Although mean is important, conducting data interpretation only on mean values considers just a portion of the available important information. Results can be skewed depending upon sample size, sampling times, populations, and numerous other factors. Understanding the sub-populations and variability through time and space is critical for interpretation, conclusions, effects determination, and mitigation assessments. | Document for Mine Proponents and Operators is included as a reference for surface water and sediment quality in Section 5.1.2.2, and groundwater quality in Section 5.1.2.4 of the dAIR.  Concerning geochemistry this guideline was used along with other recommended guidance documents to interpret and present statistical results.   | lo action required. | Satisfied          |
| 37.             | G<br>(February                    | Ministry of<br>Environment,<br>Smithers  | General                   | Geology and geochemistry are the foundations of this project development and ultimately are the drivers for the effects assessment. Ensure that the scope, specifics and intent of  | Concerning geochemistry, a full range of statistics including mean, median, standard deviation, and percentiles is provided. Interpretation and presentation of results use the most appropriate statistics (typically the  | lo action required. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment  | dAIR Version<br>Reference          | Comment  | Proponent Response  | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|--|------------------------------------|--|---|---|--------------------|
|                 | 2014)                   | Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>February 27, 2014  |                                    | Chapters 2 and Appendix 4 of BC MOE (2012), Water and Air Baseline Monitoring Guidance Document for Mine Proponents and Operators are captured in the EA application.  | median value and quartiles) when comparing sub-populations. The BC MOE (2012) Water and Air Baseline Monitoring Guidance Document for Mine Proponents and Operators was used along with other recommended guidance documents to interpret and present statistical results.  |   |                    |
| 38.             | G<br>(February<br>2014) | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>February 27, 2014 | General                            | A major aspect of the EA review is the actual interpretation of the data, associated discussions and the justification of the resulting conclusions. Emphasis is required on this aspect of the data collection and will be a focus of the application review. This is especially true for the project effects assessment on the identified valued components individually and the project as a whole. | Agree with comment. The assessment of potential effects of the proposed project present the interpretation of data, associated discussions and the justification of the resulting conclusions. The Valued Component (VC) baseline section provides detailed baseline information on the VC and the source of information.   | Version H: No action required.  | Satisfied          |
| 39.             | G<br>(February<br>2014) | Ministry of Environment, Smithers Craig Stewart, PGeo Senior Mine Review Officer February 27, 2014                   | General                            | I have also included a copy of previous comments provided to the proponent (November 6, 2013) which discussed previous questions and any concerns identified by this reviewer. Issues identified at that time will continue to be tracked through the application review stage, as will comments from previous dAIR submissions of May 2013.   | Comments that were provided to the presentation and that related to the dAIR, have been incorporated into this dAIR tracking table. Please see comments #31, #32, #33, and #34.   | See responses to comment #31, #32, #33, and #34.  | Satisfied          |
| 40.             | G<br>(February<br>2014) | Ministry of<br>Environment,<br>Smithers<br>Craig Stewart, PGeo<br>Senior Mine Review<br>Officer<br>February 27, 2014 | General                            | meaning that the appropriate studies are indicted but not  | Agree with comment. The dAIR provides the scope for the effects assessment, but confirmation that the work was conducted according to the proposed scope will be achieved during the Application review phase.  | Version H: No action required.  | Satisfied          |
| 41.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013  | Project<br>Description, page<br>25 | The transmission line is expected to have 142 stream crossings, including 5th, 6th and 8th order streams. What sort of BMPs and mitigation are planned to prevent sedimentation issues during construction in and around the streams?  | Agree with comment. DFO Operational Statements with respect to overhead powerlines, clear span bridges, and culvert maintenance will be followed as well as relevant DFO BMPs and guidelines. Mitigation measures will be described in Section 5.3 Aquatic Environment Effects Assessment, BMPs in Section 12.2 Environmental Management Plans, and a summary of mitigation measures in Section 20, of the Application. | Version D: Add reference to DFO operational statement to dAIR to Section 5.3.5 Surface Water Quality: During construction, BMPs will be applied (including DFO Operational Statements with respect to overhead powerlines, clear span bridges and culvert maintenance will be followed as well as relevant DFO best management practices and guidelines). | Satisfied          |
|                 |                         | Ministry of<br>Environment<br>Jennifer L. Puhallo,<br>R.P.Bio<br>February 26, 2014                                   |                                    |  | Follow-up comment response: Please note that comments ID #s have change as follows: #193 – now #50, #199 – now #56, and #204 – now #61.   | Version G: No change required.  |                    |
| 42.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013  | Project<br>Description, page<br>30 | The waste rock dumps and open pit will be designed to drain towards the TSF with constructed wetlands used for polishing   | Comment noted. Selenium is not expected to be problematic for the Blackwater deposit. Should monitoring during mining indicate otherwise, alternatives to constructed wetlands will be investigated.  | Version D: No action required.  Version G: No change required.  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                         | dAIR Version<br>Reference          | Comment   | Proponent Response  | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|------------------------------------|---|---|---|--------------------|
|                 |                         |   |                                    | to aquatic life values?  Follow-Up Comment: See #41   | Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented. The influence of wetlands are included water quality modelling.  |   |                    |
| 43.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Project<br>Description, page<br>40 | The use of cyanide is proposed for the ore processing. Given the high lethality of cyanide in the environment, does NewGold intend to develop a cyanide management plan that will address items such as storage, transportation, spills, environmental risk, etc?  Follow-Up Comment: See #41 | Agree with comment. Cyanide management has been identified in the list of environmental management plans that will be included in the Application (Refer to Section 12.2). New Gold is planning to seek certification under the International Cyanide Management Code.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: No action required.  Version G: The structure of section 12 has been revised; however, a cyanide management plan continues to be included as a topic.  | Satisfied          |
| 44.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Project<br>Description, page<br>50 | There is discussion of groundwater monitoring wells located downstream from the TSF. Have these been constructed yet and has baseline been established? Is data collection following the Mine Guidance document?  Follow-Up Comment: See #41  | Downstream monitoring wells have been installed and baseline data are being gathered. The Mine Guidance document is being followed.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. A request was made to add a map showing the locations of the monitoring wells be added to the dAIR.  | Version D: No action required.  Version G: A table listing the groundwater monitoring stations and a map showing the locations of the monitoring wells (Figure 5.1-2) has been added to the section 5.1.2.4 in the dAIR.  | Satisfied          |
| 45.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Project<br>Description, page<br>65 | Surface water would be discharged post closure after the pit fills and the pit lake overflows to the TSF. How many years after closure until the Pit Lake fills?  Follow-Up Comment: See #41  | Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Version G of the dAIR has the following text is Section 4.3.1.2:  Details about the post-closure phase will be described in Section 2.2 Project Overview and Section 2.6 Reclamation and Closure Plan.  The latest water balance results for the project show that it will take 19 years for the pit lake to fill. The pit lake will start filling during year 16 of the operations phase and will start discharging during year 35.  The post-closure phase starts once the proposed Mine TSF starts discharge from the main dam (Dam D). This is forecast to commence in Year 35 from the start of mining; Year 36 will be the first full year of | Version D: Revise Section 4.1.3 of the dAIR:  • Post-closure phase: the post-closure phase starts following completion of reclamation and rehabilitation activities proposed during the closure period. The post-closure phase considers the period of time that would be required for the open pit to flood and start discharging towards the TSF, and the additional time that would take the TSF to start overflowing and discharging water back to Davidson Creek. This period of time is expected to last approximately 25 years following closure (Year 45).  Version G: The section 4.3.1.2 Temporal Boundaries and Section 2.2.6 Project Schedule of the dAIR will be updated to present the duration of the different phases of the project according to the latest results of the watershed models. |                    |
| 46.             | Project<br>Description  | Ministry of<br>Environment<br>James Jacklin                 | Project<br>Description, page<br>88 | Changes to the groundwater baseflow are expected in the Davidson Creek catchment, with potential effects being mitigated through stream flow enhancement. How effective will stream flow  | discharge.  Flow enhancement during winter months is expected to bring flow to approximate baseline seasonal conditions.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to   | No action required.  Version G: Reference has been added to the dAIR, that an instream  | Satisfied          |



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| Comment ID # | Draft<br>AIR<br>Version | Author of Commen &  | t dAIR Version Reference  | Comment  | Proponent Response  | Action dAIR   | EAO Comment/Status |
|--------------|-------------------------|---|---|--|---|---|--------------------|
|              | Toron                   | Date of Comment May 30, 2013                                |   | enhancement be during winter months?  Follow-Up Comment: See #41   | discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  An instream flow report will be provided with the Application that will include data on amounts of water needed to support fish. Various scenarios will be addressed, including stream flow analysis during winter months. Groundwater discharge has been considered in the modelling and predictions of surface water flow, therefore changes in groundwater, if any, are reflected in the in stream flow requirements.                        | flow report will be provided as an Appendix to the fish and fish habitat effect assessment (sections 5.3.8 and 5.3.9).  |                    |
| 47.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 2.1:<br>Proponent<br>Description, page<br>3   | Discussion on qualified professionals. The MOE requests all sections relevant to comments on biology, such as water quality and aquatic resources be signed and stamped by a Registered Professional Biologist.  Follow-Up Comment: See #41  | Agree with comment. As stated in Section 2.1 of the dAIR, information in the Application that has been prepared by a qualified professional and information related to the qualified professional expertise will be identified in the Application.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: No action required.  Version G: No change required.  | Satisfied          |
| 48.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 2.2.4:<br>Off-site<br>Infrastructure,<br>page 12  | A transload facility associated with the railroad may be established to receive materials for use on the project. The materials received by rail would be transferred to trucks for transport to the mine site. Examples of materials handled by the transload facility could include cyanide and grinding media. Given the highly toxic nature of cyanide, is NewGold developing a cyanide management plan that clearly describes handling procedures and spill response?  Follow-Up Comment: See #41 | Yes, refer to response to comment 78. In addition to the cyanide management plan, a conceptual emergency and spill preparedness and response plan will also be presented in Section 12.2.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.   | Version D: No action required.  Version G: The transload facility as described in the Project  Description (AMEC, 2012) is no longer being considered as a component of the Project. The transload facility has been removed from the dAIR version G.  The structure of section 12 has been revised; however, a cyanide management plan and spill preparedness and response plan continues to be included as a topic. | Satisfied          |
| 49.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 2.2.5:<br>Environmental<br>Management<br>System and<br>Adaptive<br>Management<br>Approach, page<br>12 | During construction the mine site would be managed to ensure downstream water quality and aquatic values were protected. The MOE expects the application will provide specific details on how NewGold intends to accomplish this. High level mission statements that lack supporting detail are not sufficient.  Follow-Up Comment: See #41  | Comment noted. Water quality modelling will be used to assess potential for changes in surface water quality and appropriate mitigation and management measures applied. Proposed mitigation, management, and compensation measures will be described in the Application.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.   | Version D: Mitigation measures for any expected exceedances of guidelines predicted by water quality modelling will be detailed in the application document to a conceptual engineering level.  Version G: No change required.  | Satisfied          |
| 50.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 4.1.1:<br>Valued<br>Components,<br>page 27  | Aquatic Environment VC candidates. Generally an EIS application will consider aquatic primary and secondary producers within as a single VC. What is the rationale for not including them?  Follow-Up Comment: See #41   | There are two reasons why primary and secondary producers (i.e., periphyton and benthic macroinvertebrates in streams and phytoplankton, zooplankton, and benthic macroinvertebrates in lakes) are considered to be subsumed by the two indicator species (i.e., rainbow trout and kokanee) for the Fish VC. Firstly, fish are more highly valued than periphyton or zooplankton. Secondly, any effect of mine activities on primary and secondary producers will also directly affect the growth, survival, and reproduction of the two dominant fish species of the fish community. | Version D: No action required.  Version G: No action required.  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment | dAIR Version<br>Reference | Comment | Proponent Response   | Action dAIR | EAO Comment/Status |
|-----------------|-------------------------|---|---------------------------|---------|--|-------------|--------------------|
|                 | Version                 | Date of Comment                           |                           |         | Follow-up response: A conference call was held on June 27th 2013 to discuss James Jacklin's comments on the dAIR. An explanation has been provided to James Jacklin in response to his comment.  Aquatic primary and secondary producers will be included in the effects assessment for aquatic ecosystems as a component of fish habitat valued component (VC). (The two VCs for the aquatic environment are fish and fish habitat.)  Abundance and biological characteristics of primary and secondary producers (periphyton, benthic macroinvertebrates, phytoplankton, and zooplankton) in the Local Study Area (LSA) of the Project area were surveyed in 2011 and 2012. This information is described in detail in the Blackwater Gold Project – Fish and Aquatic Resources 2011-2012 Baseline Report. This report will be appended to the Application for an Environmental Assessment Certificate / Environmental Impact Statement (the Application).  The information in the baseline report will also be summarized in Section 5.1 (Baseline Condition) of the Application. Specifically, density, blomass, and indices of taxonomic diversity of primary and secondary producers will be summarized in Section 5.1.2.6 (Fish and Fish Habitat). They will be treated as biological components of fish habitat in the same way that water quality, water depth, and water yelocity are treated as physical components of fish habitat.  Information on primary and secondary producers will also be used in Section 5.3 (Aquatic Environment Effects Assessment) of the Application. Specifically, the potential effects of mine activities on primary and secondary aquatic producers will be identified and characterized in Section 5.3.9 (Fish Habitat). However, the significance of those effects will be assessed through their effects on the quality of fish habitat and on fish population abundance, reproduction, growth, and survival.  There are three reasons for using only two VCs for the living aquatic environment, and for excluding primary and secondary producers. First, in concordance with |             |                    |
|                 |                         |   |                           |         |  |             |                    |



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|                 |                         | Г                                   |   | T  | 1  |  |                    |
|-----------------|-------------------------|-------------------------------------|---|--|--|--|--------------------|
| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference                 | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|                 |                         |                                     |   |  | between secondary producers and fish.  Third, on a practical level it is more difficult (and less scientifically defensible) to assess the effects of environmental changes on primary and secondary producers than it is to assess the effects of environmental changes on fish populations. For example, the temperature, depth, and velocity preferenda of rainbow trout are well known because they have been measured repeatedly in controlled laboratory settings and in field conditions (e.g., when setting site-specific Habitat Suitability Indices), However, the preferenda of benthic macroinvertebrate communities of the Blackwater LSA have never been measured. Moreover, benthic macroinvertebrate communities are highly diverse and variable entities even within the Blackwater aquatic LSA. For example, one of the key findings of the CABIN analysis of benthic macroinvertebrate (described in the baseline report) is that taxonomic composition changes with elevation, presumably because average stream temperature decreases with increasing elevation, and average stream gradient (and hence water velocity) increases with elevation.  For this reason, assessments of mine effects on primary and secondary producers have almost always been based on comparison with baseline conditions rather than on comparison with quidelines or standards derived from experiment. That is, predicted physical variables (e.g., water quality, temperature, depth and velocity) are compared with baseline physical variables. If predicted conditions fall within baseline ranges, then effects on primary and secondary producers are considered negligible. However, if predicted conditions fall outside baseline conditions, then effects are considered of greater magnitude. The exact magnitude is difficult to estimate, but it is usually assumed to vary directly with the difference between predicted and baseline physical conditions. |  |                    |
| 51.             | C<br>(April 2013)       | Environment T                       | Section 4.1.1,<br>Fable 4.1-1, page<br>30 | Why are kokanee and rainbow trout the only identified species considered a VC? Although kokanee and rainbow trout are the primary recreational species present in the study area, the MOE will consider effects on all fish species.  Follow-Up Comment: See #41 | There are three reasons why only kokanee and rainbow trout are identified species. Firstly, rainbow trout and kokanee together make up more than 95% of all fish counts reported during the environmental surveys of 2011 and 2012. Rainbow trout is the overwhelmingly dominant fish species in streams, except during the kokanee spawning runs of August and September when spawning kokanee dominate the stream fish community. Secondly, rainbow trout and kokanee are the two most valued fish for recreational and Aboriginal fisheries. Thirdly, any effect of mine activities on rainbow trout or kokanee will also affect other members of the fish community.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAlR.  The two indicator species for the fish VC are kokanee (Oncorhynchus nerka), the landlocked life history variant of sockeye salmon, and rainbow trout (Oncorhynchus mykiss). They were selected because they are the two most numerous fish species in the Local Study Area (LSA) and Regional Study Area (RSA), they are both food fish that are targets of recreational and Aboriginal fisheries, and they both use stream and lake habitat (although at different times of the year). Equally important, they have sufficiently different diets, habitat preferences, and seasonal life history timing that any potential effect of Project activities on fish and fish habitat in streams and lakes of the LSA and RSA will inevitably affect one or both species. Hence,  | Version D: No action required.  Version G: No change required. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference | Comment   | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|-------------------------------------|---------------------------|---|--|---|--------------------|
|                 |                         |                                     |                           |   | these two fish species are relevant, comprehensive, representative, responsive, and measureable indicators for the entire fish community of the LSA and RSA.  Kokanee are the most numerous fish in Tatelkuz Lake (the only kokanee residence lake in the LSA), and they are the single most numerous fish in the LSA when they emerge from Tatelkuz Lake to spawn in streams in mid- to late summer.  Rainbow trout is the second most numerous fish species in Tatelkuz Lake, and the predominant fish species in three of the four headwater lakes of the LSA. (Lake chub, Couesius plumbeus, is the only fish species present in Snake Lake.) Except during the kokanee spawning migration, rainbow trout are the predominant fish species in streams of the LSA and RSA. Adult rainbow trout emerge from their residence lakes in spring to spawn in streams and then return to lakes, but juvenile rainbow trout remain in streams for up to 2 years before migrating to residence lakes to adopt an adult life style.  The selection of two of the twelve fish species present in the LSA as fish VC indicators does not mean that information on the other ten species is not important. Fish species richness in each stream and lake of the LSA and RSA is summarized in this section because it increases directly with increasing habitat diversity, which is usually positively correlated with waterbody size (Griffiths, 1997).  The conservation status of each fish species, regardless of its abundance in the LSA, is also an indicator of ecological health because the presence and abundance of vulnerable, threatened, or endangered species is an indicator of habitat diversity.  An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and which ones were excluded from the detailed assessment.  No follow-up action was id |   |                    |
| 52.             | C<br>(April 2013)       | Environment                         | Table 4.1-1, page<br>30   | Amphibians/Birds. If water quality contaminants are predicted to exceed water quality guidelines for contaminants such as selenium/mercury in waters downstream from the project, the EIS should address the potential for significant adverse effects. A 500 m buffer around the mine facilities may or may not be sufficient.  Follow-Up Comment: See #41 | Comment noted. Water quality effects assessment will inform the EIA whether effects are possible on amphibians and water birds and an environmental effects monitoring (EEM) program will validate or refute effects predictions; adaptive management practices will be used to mitigate any significant effects observed through the EEM program that can reasonably be ascribed to mine activities.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR.  The change made to dAIR version D as stated above is located in Section 5.4.7 (amphibians) and 5.4.8 (water birds) and 5.4.9 (forest and grassland birds) of dAIR version G.  No follow-up action was identified with respect to response and dAIR action presented.   | Valued Components and to Section 5.4.10.2 Bird Valued Components.  • Use water quality effects assessment to inform the EIA whether effects | Satisfied          |



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| Comment ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference                         | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|--------------|-------------------------|-------------------------------------|---|--|--|--|--------------------|
|              |                         |                                     |   |  |  |  |                    |
| 53.          | C<br>(April 2013)       | Environment<br>James Jacklin        | Surface Water<br>and Sediment<br>Quality, page 50 | Ensure to include a comprehensive discussion on the QA/QC of the surface water/sediment quality and other aquatics related data.  Follow-Up Comment: See #41 | Agree with comment. Relevant BC MOE guidelines are followed by field crews and analysis laboratories used to assay water quality. The baseline water quality report to be appended to Section 5.1.2.2 of the Application will provide both field and laboratory QA/QC.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented. | Version D: No action required.  Version G: No change required. | Satisfied          |



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| Comment ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                         | dAIR Version<br>Reference                             | Comment  | Proponent Response  | Action dAIR  | EAO Comment/Status |
|--------------|-------------------------|---|---|--|---|--|--------------------|
| 54.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 5.1.2.6:<br>Fish and Fish<br>Habitat, page 55 | Mean tissue data should include confidence bounds (standard error/dev). If water quality guidelines are predicted to be exceeded in water downstream from the project, additional questions may be asked on linkages to fish, bioaccumulation rates, metals uptake and comparison to established effects thresholds.  Follow-Up Comment: See #41 | Comment noted. Mean and standard errors were calculated for metals measured from tissue samples of benthic macroinvertebrates and fish from selected waterbodies. These are shown in appendices of the 2011-2012 baseline fish and aquatic resources report. This information will be summarized in Section 5.3 of the Application and the detailed baseline report included as an appendix to this section.  Follow-up response: A conference call was held on June 27th 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  The first step in analysis of fish tissue and invertebrate metals data was to prepare a statistical annex that showed the Frequency of Detection (FoD), (arithmetic) mean concentration, standard error (SE) of that mean, and the minimum and maximum detected concentrations for each metal by tissue type and species. FoD refers to the number of tissues for which the concentration is above the method detection limit (MDL). For example, the FoD for a group of nine tissues for which eight have concentrations above the MDL is 8/9. Mean concentration was calculated only for those concentrations above the MDL, so if the FoD was 0/9, then the mean is the MDL and the SE, minimum and maximum are each shown as Not Detected or ND. Summary statistics (mean, SE, minimum, and maximum) were also calculated using ½ the MDL for parameters reported as non-detects.  No follow-up action was identified with respect to response and dAIR action presented. | Version D: No action required.  Version G: No change required. | Satisfied          |
| 55.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 5.1.2.6:<br>Fish and Fish<br>Habitat, page 56 | Ensure when presenting metals data for invertebrates and other trophic levels that uncertainties and deviations are included.  Follow-Up Comment: See #41  | Agree with comment. QA/QC methods for sampling tissue of benthic invertebrates and fish, and for measuring metal concentrations in those tissues, are described in the Methods section of the 2011-2012 baseline fish and aquatic resources report. The uncertainties involved in interpreting the results are discussed in the Results and Discussion section of the same report.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR.  The first step in analysis of fish tissue and invertebrate metals data was to prepare a statistical annex that showed the Frequency of Detection (FoD), (arithmetic) mean concentration, standard error (SE) of that mean, and the minimum and maximum detected concentrations for each metal by tissue type and species. FoD refers to the number of tissues for which the concentration is above the method detection limit (MDL). For example, the FoD for a group of nine tissues for which eight have concentrations above the MDL is 8/9. Mean concentration was calculated only for those concentrations above the MDL, so if the FoD was 0/9, then the mean is the MDL and the SE, minimum and maximum are each shown as Not Detected or ND. Summary statistics (mean, SE, minimum, and maximum) were also calculated using ½ the MDL for parameters reported as non-  | Version D: No action required.  Version G: No action required. | Satisfied          |



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| Comment ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                         | dAIR Version<br>Reference | Comment   | Proponent Response  detects.  The dAIR states in Section 5.1.2.6 the methods proposed to conduct baseline characterization of fish habitat include the following:  • Collection and analysis of benthic invertebrates to characterize tissue metal concentrations  No follow-up action was identified with respect to response and dAIR action presented.  | Action dAIR  | EAO Comment/Status |
|--------------|-------------------------|---|---------------------------|---|--|--|--------------------|
| 56.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Assessment, page 67       | Again, perhaps further discussion is warranted regarding excluding primary and secondary producers as VC.  Follow-Up Comment: See #41   | Refer to the response to comment number 85.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. An explanation was provided to James during the call.   | Version D: No action required.  Version G: No action required. | Satisfied          |
| 57.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | page 70                   | When providing water quality predictions, ensure to include uncertainties. Avoid presenting predictions as absolutes and characterize the confidence.  Follow-Up Comment: See #41   | Agree with comment. Water quality models will employ sensitivity analyses and appropriate scenarios to characterize a variety of situations that could realistically occur.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR.  As stated in section 4.3.5.4 of the dAIR, once the residual effects predictions has been described in terms of significance and likelihood, the level of confidence on the assessment of residual Project effects will be stated for each VC. The level of confidence will be classified as high, moderate or low. For cases when a low level of confidence is determined, a risk analysis will be conducted to more fully characterize the potential risk associated with uncertain outcomes. A high confidence can only be achieved if the VC is well understood, the project-VC interaction is well understood and the mitigation has been proven effective. For each VC assumptions and limitations relative to the assessment of Project effects and the assessment of cumulative effects will be presented. No update to the dAIR is needed.  No follow-up action was identified with respect to response and dAIR action presented. | Version D: No action required.  Version G: No change required. | Satisfied          |
| 58.          | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | page 70                   | Can NewGold clarify the intended modeling locations? In accordance with Ministry policy, compliance points are set 100 m d/s from point of discharge. Both near field and far field sites should be included within the analysis.  Follow-Up Comment: See #41 | Modelling locations were discussed with MOE on May 3, 2013. Modelling locations will capture sites where there is potential for effects. Sites will be chosen so as to predict where potential effects appear and where guidelines are met. Intent and justification of modelling locations will be described in Section 5.2.3.3 of the Application.  Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. No follow-up action was identified with respect to response and dAIR action presented.   | Version D: No action required.  Version G: No change required. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment                         | dAIR Version<br>Reference  | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|--|--|--|---|--------------------|
| 59.             | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013 | Section 5.4.6.2:<br>Potential Effects,<br>page 86                  | Will the amphibian assessment be linked to predicted water quality concentrations and the potential effects that might result from elevated concentrations?  | Water quality effects assessment will inform the EA whether effects are possible on amphibians and an environmental effects monitoring (EEM) program will validate or refute effects predictions; adaptive management practices will be used to mitigate significant effects observed through the EEM program that can reasonably be ascribed to mine activities.  | Version D: A clarification was added to dAIR Section 5.4.9.2 Amphibians.  Version G: No further action is required.   | Satisfied          |
|                 |                         |   |  | Follow-Up Comment: See #41   | Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. The change made to dAIR version D as stated above is located in Section 5.4.7 of dAIR version G. No follow-up action was identified with respect to response and dAIR action presented.  |   |                    |
| 60.             | C<br>(April 2013)       | Environment   | Section 5.4.6.2:<br>Potential Effects,<br>page 86                  | Will the bird (aquatic feeding birds) assessment be linked to predicted water quality concentrations and the potential effects that might result from elevated concentrations?   | Water quality effects assessment will inform the EIA whether effects are topossible on water birds and an EEM program will validate or refute effects predictions; adaptive management practices will be used to mitigate significant effects observed through the EEM program that can reasonably be ascribed to mine activities.   | Version D: A clarification was added to dAIR Section 5.4.10.2 Bird Valued Components.  Version G: No change required. | Satisfied          |
|                 |                         |   |  | Follow-Up Comment: See #41   | Follow-up response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR. The change made to dAIR version D as stated above is located in Section 5.4.8 and 5.4.9 of dAIR version G. No follow-up action was identified with respect to response and dAIR action presented.  |   |                    |
| 61.             | C<br>(April 2013)       | Environment<br>James Jacklin<br>May 30, 2013                | Section 5.4.9:<br>Invertebrate<br>Valued<br>Components,<br>page 90 | I'm unclear on the intent of the selection of a single aquatic invertebrate species as the Valued Component. How will the assessment of a single species as a Valued Component address issues such as invertebrate community diversity, taxon richness, diversity indices, metals content, etc when linked to effects from habitat disturbance, water quality. | Section 5.1.3.4 Wildlife and Wildlife Habitat, will present an overview of results from the baseline studies. Detailed baseline information including source of the information will be presented in an Appendix to this section of the Application. Jutta Arctic and American Emerald are the proposed VCs for the terrestrial invertebrate community and the effects on these VCs will be addressed in Section 5.4.6 of the Application based on habitat losses.   | Version D: No action required.  Version G: No change required.  | Satisfied          |
|                 |                         |   |  | Follow-Up Comment: See #41   | Section 5.1.2.6 Fish and Fish Habitat, will present an overview of results from baseline studies. Aquatic invertebrate community characteristics will be presented as part of the fish habitat characterization. Detailed baseline information including source of the information will be presented in an Appendix to this section of the Application. Benthic invertebrate sampling in streams is based on standard Canadian Aquatic Biomonitoring Network (CABIN) protocol. It is based on measuring community characteristics such as biomass (mg/cm²), density (number of organisms/cm²), and taxonomic diversity (i.e., species richness and H' – the Shannon-Weiner index of diversity). The same kind of community analysis applies to benthic invertebrate and zooplankton sampling in lakes except that we use the Ontario Bio-Monitoring Network protocol for benthos and the RIC protocol for zooplankton. Assessment of potential effects on the fish habitat VC will be presented in Section 5.3.8 of the Application. |   |                    |
|                 |                         |   |  |  | Follow-Up Response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR.  An updated companion document will be provided with version G of the dAIR that will provide the rationale applied to the proposed candidate Valued Components in order to select them for the effects assessment. The updated companion document will explain which candidate Valued Components and indicators were selected and  |   |                    |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment   | dAIR Version<br>Reference | Comment   | Proponent Response  which ones were excluded from the detailed assessment.   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|---------------------------|---|--|---|--------------------|
|                 |                         |   |                           |   | No follow-up action was identified with respect to response and dAIR action presented.   |   |                    |
| 62.             | C<br>(April 2013)       | Ministry of<br>Environment<br>James Jacklin<br>May 30, 2013                                       | Plans, page 125           | Are there intentions to use flocculants? As a zero discharge facility, I assume not, however, if a discharge is anticipated and sediment management is a concern, a flocculants management plan may be necessary.  Follow-Up Comment: See #41 | Flocculants may be required for sediment control ponds during the construction phase. They are not anticipated to be needed in the TSF.  Follow-Up Response: A conference call was held on June 27 <sup>th</sup> 2013 to discuss James Jacklin's comments on the dAIR.  The dAIR states in Section 12.2 that the Application will present environmental management plans, that will address sediment and erosion control.  Information on a flocculants testing study will be included in the appendix to Section 2.2 Project Overview. This information will include recommendations for the use of both flocculants and coagulants for sediment control in settling ponds.  No follow-up action was identified with respect to response and dAIR action presented.   | Version D: No action required.  Version G: No change required.  | Satisfied          |
| 63.             | C (April 2013)          | Ministry of Forests,<br>Lands, and Natural<br>Resource<br>Operations<br>Ryan Hall<br>May 31, 2013 |                           | Provide a rationale to the current proposed location for the transmission line.   | The transmission line alignment presented in Figure 2.2-2 was selected as the preferred alternative among six different options. The assessment of alternatives will be presented in Section 2.5 Alternative Means for Undertaking the Project of the Application. The preferred alignment was selected out of six alternatives based on the existence of a sub-station at Endako (which avoids the need for a new facility) and current land use (the existing corridor runs largely along Crown land and minimizes overprinting private parcels and Federal Lands).  Follow-Up Response: A conference call was held on June 14 <sup>th</sup> 2013 to discuss Ryan Hall's comments on Version C of the dAIR.  A follow-up meeting was conducted on October 1 <sup>st</sup> , 2013. During that meeting the rationale for the selection of the preferred transmission line alignment was presented and details were provided on how different alternatives for the alignment were assessed. As an action item from the meeting clarification was further provided regarding two other possible re-routes.  Version G of the dAIR has Table 2.5-1 that includes the transmission line in the alternatives assessment. | Version D: Statement added to Section 2.2.4 to describe rationale for selection of transmission line presented in the response.  Version G: No change required.   | Satisfied          |
| 64.             | C<br>(April 2013)       | Ministry of Forests,<br>Lands, and Natural<br>Resource<br>Operations<br>Ryan Hall                 |                           | Identify the 6 alternative routes and provide more information as to why they may or may not be preferred/feasible options.   | Comment noted. The application will identify the six alternatives considered for the Project and Section 2.5 will present the results of the assessment of alternatives conducted. Environmental, economic, social, and technical considerations were taken into consideration for the assessment of alternatives.   | Version D: No action required.  Version G: Section 2.2 Project Overview of the dAIR will be revised to read: "This section of the Application will provide a summary of the Project Description for the proposed Project, including a description | Satisfied          |



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| Comment | Draft             | Author of Commen  | dAIR Version   | 0   | Parameter 5   | Autouten  | F40.0              |
|---------|-------------------|---|--|---|---|---|--------------------|
| ID#     | AIR<br>Version    | & Date of Comment   | Reference  | Comment   | Proponent Response  | Action dAIR   | EAO Comment/Status |
|         |                   | May 31, 2013  |  |   | Follow-Up Response: A conference call was held on June 14 <sup>th</sup> 2013 to discuss Ryan Hall's comments on Version C of the dAIR.  A follow-up meeting was conducted on October 1 <sup>st</sup> , 2013 with Ryan Hall. During that meeting the rationale for the selection of the preferred transmission line alignment was presented and details were provided on how different alternatives for the alignment were assessed. Follow up from the meeting provided further rationale for the selection of the alignment.  Section 2 of the dAIR presents the Project Overview Section. Wording will be added to Section 2.2 of the dAIR describing that changes made to the project will be described.  Version G of the dAIR has Table 2.5-1 that includes rationale for transmission line alignments in the alternatives assessment.   | of changes made to the project."  |                    |
| 65.     | C<br>(April 2013) | Ministry of Forests,<br>Lands, and Natural<br>Resource<br>Operations<br>Ryan Hall<br>May 31, 2013 | Section 2.5:<br>Alternative<br>Means of<br>Undertaking the<br>Proposed Project | With respect to the proposed transmission line and the information requested above, the proponent should consider the following principles in identifying the proposed route:  • Where possible, the transmission line should be located along existing linear developments (e.g. transmission lines, roads, etc) to minimize potential impacts to environmental, visual, recreational, and heritage values.  | considerations were taken into consideration for the assessment of  | Version D: No action required.  Version G: No change required.  | Satisfied          |
| 66.     | C<br>(April 2013) | Ministry of Forests,<br>Lands, and Natural<br>Resource<br>Operations<br>Ryan Hall<br>May 31, 2013 | Section 2.5:<br>Alternative<br>Means of<br>Undertaking the<br>Proposed Project | Consider other potential projects in the area to minimize potential conflicts and cumulative impacts: Chu Molybdenum Mine – The current transmission line location runs directly through the proposed Chu Molybdenum Mine project. It should also be noted that the Chu Molybdenum Mine project proposed a transmission line along the existing Kluskus-Ootsa FSR from an existing substation near Vanderhoof. Nulki Hills Wind Power Project – The proposed Nulki Hills Wind Power project also identifies a potential transmission line from the project site to a proposed substation approximately 23 km west of Vanderhoof (community of Engen). | Comment noted. The cumulative effects assessment may consider both the Chu Molybdenum Mine and Nulki Hills Wind Power Project as reasonably foreseeable future activities (RFFA). These projects will be evaluated following the definition for reasonably foreseeable future activities as defined under the heading "Examining Physical Activities That Will Be Carried Out" in the Agency's, May 2013, Operational Policy Statement, Assessing Cumulative Environmental Effects under the Canadian Environmental Assessment Act, 2012.  Follow-up response: A conference call was held on June 14 <sup>th</sup> 2013 to discuss Ryan Hall's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Version F included only Nulki Hills Wind Power Project as a possible candidate for inclusion in the assessment of cumulative effects.  Version G has been updated to include the more recent major project information in the project area. | Version D: No action required.  Version G: Section 4.3.5.5 has been updated to include Nulki Hills  Wind Power Project, Fraser Lake Sawmill Biomass Project, Coastal  GasLink Pipeline Project and Pacific Gas Looping Project. | Satisfied          |
| 67.     | D<br>(July 2013)  | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,              | Section 2.2.3  | The foundation conditions for the waste rock dumps should include an assessment of the options for reducing the flux of leachate infiltrating the ground.   |   | Version G: Section 2.2.3 of the dAIR has been added to add a bullet to include a description of seepage control for the waste rock dumps.   | Satisfied          |



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| Comment<br>ID # | t Draft<br>AIR<br>Version | Author of Comment & Date of Comment  | dAIR Version<br>Reference          | Comment   | Proponent Response   | Action dAIR                                    | EAO Comment/Status |
|-----------------|---------------------------|--|------------------------------------|---|--|--|--------------------|
|                 |                           | MEng, PEng<br>September 3, 2013  |                                    |   | overburden, and do not require the collection of infiltration although seepage will be collected at the toe of the dumps. Overburden comprises about 59% and 43% respectively of the East and West dumps and a minimum 0.3 m overburden cover will be placed on the dumps at closure; the composition and cover of the dumps will reduce infiltration. Waste management and mine planning allows for capture of seepage, to the pit of TSF.  | r  |                    |
|                 | G<br>(February<br>2014)   | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>April 30, 2014 |                                    | Follow-up comment: Note that glaciofluvial and esker deposits have been reported in preliminary results at the East and West Dumps, and Low Grade Ore Stockpile. Micro-fractures (e.g., dessication, rootlets) in in situ low conductivity near-surface materials should be identified in test-pits and their effect on effective vertical hydraulic conductivity and infiltration discussed. | Follow-up response: A call was conducted on May 6, 2014. Measures to manage seepage from low grade stockpile and waste rock dumps will be described in the Application as outlined in dAIR Section 2.2.3. Segregation and management of waste rock is the principle measure to control seepage quality. Liner and seepage collection system will be constructed under the low grade ore stockpile. All runoff and seepage from West Dump will flow to TSF or pit. The East Dump is comprised of best quality waste rock and overburden. Runoff and most seepage will be collected and discharged to the TSF. Further, 30 cm overburden cover will be placed on waste rock dumps to facilitate re-vegetation and reduce infiltration. As a contingency, thicker engineered covers could be installed on waste rock dumps in the unlikely event is required to reduce seepage. Additional seepage collection systems (e.g. collection ditches, recovery wells and cutoffs) could be installed if required.  The surficial material under low grade stockpile and TSF dams will be excavated. The surficial material under East and West waste dumps will be compressed by over hundred million tonnes of rock and overburden; therefore, micro fractures and rootlets will not be an issue. No follow-up action or changes to the dAIR were identified with respect to response presented in the call.  No follow-up action was identified with respect to response presented in the call. | 2  |                    |
| 68.             | D<br>(July 2013)          | I am de am d Maternal  | Section 5.1.2.3<br>Section 5.1.2.4 | The baseline information requirements for both groundwater flow and quality are well done and appears complete. Although groundwater/surface water quantity interaction is cited, there is no methodology described, and the monitoring well locations may not be sufficient to adequately describe interactions at are reasonable scale for water quality modelling.                         | The methodology for surface and groundwater monitoring will be described in Section 12.2 Environmental Management Plans (water quality and liquid discharges, construction management) of the Application. Additional groundwater monitoring wells could be installed during construction if required.  Section 12.2 of the dAIR lists an environmental management plan for construction and for water quality and liquid discharges that will address groundwater flow and quality management aspects.  The dAIR describes that surface and groundwater monitoring will be presented in Section 13 of the Application.  Figure 5.1-2 has been added to the dAIR, showing the locations of the groundwater monitoring wells  The groundwater surface water interaction will be addressed in surface water modelling from the groundwater model predictions of where groundwater will surface, discharge flow volumes and discharge water quality. This loading will be a source term for the water quality model if significant.   | locations of the groundwater monitoring wells. | Satisfied          |



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| Comment | Draft  | Author of Comment   | dAIR Version   |   |  |  |
|---------|--|---|--|---|--|--|
| ID#     | AIR<br>Version                                     | & Date of Comment   | Reference  | Comment   | Proponent Response   | Action dAIR EAO Comment/Status   |
| 69.     | D (July 2013) and G (February 2014)                | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>September 3, 2013<br>and April 30, 2014 | Section 5.1.2.5  | Any wetland dependent on groundwater inflows needs to be identified as such under hydrologic function.  | Agree with comment. A sample of wetlands in the 2013 baseline report was classified based on hydrogeomorphology in preparation of assessing impacts to wetland hydrologic functions for the EA. Hydrogeomorphic classification is based on topographic position and hydrologic source, so wetland functions provided by wetlands dependent on groundwater inflows will be identified and impacts to their functions characterized.  The hydrological function will be used as an indicator for the wetlands effects assessment as presented in table 4.2-1 of the dAIR. The wetlands effects assessment will be presented in section 5.3.7.  Follow-up response: A call was conducted on May 6, 2014. Wetland Hydrogeomorphic (HGM) Class and Ecological Site Classification are listed in the dAIR under Section 5.1.2.5, and this information qualitatively identifies wetlands thought to be dependent on groundwater inflows (i.e., most fen wetlands require mineral-bearing groundwater within the rooting zone to form). These wetland types have been mapped extensively in the Wetlands Baseline Report, which will be presented as an Appendix to Section 5.1.2.5 in the Application. This can be expanded in the hydrologic function section of the Wetlands effects assessment if necessary. | Version G: No action required.  Satisfied  Version H: No action required.  |
| 70.     | D<br>(July 2013)<br>and<br>G<br>(February<br>2014) | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>September 3, 2013<br>and April 30, 2014 | Version D<br>Section 5.3.4.2<br>and Version G<br>Section 5.3.2.3 | The proposed water balance is well done and appears complete. Report should state, on a monthly and annual basis, what proportion of the flow in each receiving stream is groundwater seepage (uncontrolled).   | Section 5.3.5.3 on Groundwater Flow of the dAIR explains that "Analytical and/or numerical models are used to estimate potential groundwater seepage from waste piles and/or tailings facilities and the potential effects of mine dewatering on the surrounding area."  The proportion of the flow in each downstream receiving stream from the TSF will be provided from information in the watershed model. Estimates of seepage from the TSF will be derived from 2D Seep/w model applied across multiple dam sections. Estimates of "recovered" and "unrecovered" seepage will be provided in the Application.  Follow-up response: A call was conducted on May 6, 2014. This is included in the Application as Appendix I to the watershed modeling report (Appendix to Section 5.1.2.1 Hydrology). No follow-up action was identified with respect to response presented in the call.   | Version G: Section 5.3.5.3 of the dAIR will be updated to add the following bullet:   • Quantify the proportion of the flow in the receiving environment that corresponds to seepage from the TSF;  Version H: No action required. |
| 71.     | D<br>(July 2013)                                   | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>September 3, 2013                       | Version D<br>Section 5.3.7.2                                     | The estimation of seepage losses to groundwater from site facilities should address uncertainties using sensitivity analysis, statistical modelling, Monte Carlo simulation or equivalent.  | s Estimates of seepage from TSF were derived from 2D Seep/w model applied across multiple dam sections. Predicted impacts of unrecovered seepage from the TSF will be conservative. For example, test work has found significant attenuation capacity for metals in subsurface materials - this has not been included in the water quality model. Results of a sensitivity analysis and will be reported in Application.   | Version G: Text in Section 5.3.5.2 presenting potential effects of groundwater flow will be added with the following bullet:  • Assess the sensitivity for seepage estimates for the tailings storage facility                     |
|         | G<br>(February<br>2014)                            | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>April 30, 2014                          | Version G<br>Section 5.3.5.3<br>and Section<br>5.3.6.3           | Follow-up comment: Note that "expected" pit water quality should not be interpreted as "average" or "most likely". The principle we usually apply is that the proponent should use conservative estimates at the EA stage. As more detailed information becomes available, the degree of conservatism may be reduced if the project proceeds to permitting. | Follow-up response: A call was conducted on May 6, 2014. The following text was added to Section 5.3.5.2 of dAIR version G; "Assess the sensitivity for seepage estimates for the tailings storage facility". No follow-up action was identified with respect to response presented in the call.   | Version H: No action required.   |
| 72.     | D<br>(July 2013)<br>and                            | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations   | Version D<br>Section 6.4.5<br>and                                | The proposed numerical groundwater model should consider and in general comply with the guidelines in MoE (2012b). My main concern is whether 13 well locations, averaging almost 2000 m spacing is sufficient for a numerical model. For example, structural   | The groundwater model (prepared in Modflow) is based upon a geologic conceptual model that was developed by considering data collected from over 130 boreholes advanced at the site as part of geotechnical, if geomechanical, and hydrogeological site investigations. The groundwater  | Version G: No action required.  Satisfied  |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment  | dAIR Version<br>Reference                 | Comment  | Proponent Response   | Action dAIR                    | EAO Comment/Status |
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|                 | G<br>(February<br>2014) | Dave Tamblyn,<br>MEng, PEng<br>September 3, 2013<br>and 30 April, 2014   | Version G<br>Section 5.1.2.3              | features of the bedrock will likely require supplementary information from geological boreholes.   | model (Modflow) is calibrated to measurements of hydraulic head from a minimum of 18 monitoring wells (at 11 locations), 22 vibrating wire piezometers (at six locations), and baseflows at 11 locations.  Baseline data collection of water quality and quantity has been ongoing, following BC MOE Mine proponents guidelines to support the effects assessment. This has incorporated data from more than 13 wells. If additional monitoring wells are required, prior to or construction or during operations mitigation and monitoring requirements are expected to be developed from the results of the environmental assessment.  |                                |                    |
|                 |                         |  |   |  | Follow-up response: A call was conducted on May 6, 2014, during which it was identified that the modeling was consistent with the comments in generally following the guidelines. No follow-up action was identified with respect to response presented in the call.   | Version H: No action required. |                    |
| 73.             | D<br>(July 2013)<br>and | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations  | Section 12.2                              | Mine Waste Management and Mine Water Management plans should propose triggers for corrective action associated with groundwater flow and quality.  | Agree with comment. Triggers are required however it would be more relevant for these to be developed during permitting following the review of Application water quality model and impact assessment.   | Version G: No action required. | Satisfied          |
|                 | G (February<br>2014)    | Dave Tamblyn,<br>MEng, PEng<br>September 3, 2013<br>and April 30, 2013   |   |  | Follow-up response: A call was conducted on May 6, 2014. Specifics await discussions with BC MOE during the permitting phase. But in principle, an increasing trend towards guidelines or site specific water quality objectives will trigger adaptive management responses presented in Section 12 (Summary of Proposed Environmental and Operational Management Plans) and Section 13 (Follow-up Monitoring and Compliance Reporting) of the Application. No follow-up action  | Version H: No action required. |                    |
| 74.             | G<br>(February<br>2014) | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>April 30, 2014 | Section 5.1.2.3<br>and Section<br>5.1.2.1 | For bedrock units exhibiting secondary porosity, characterization needs to include fracture spacing and aperture width statistics (or estimates) to allow subsequent evaluation of numerical modelling approaches. Without secondary porosity characterization, the use of equivalent porous media approaches cannot be substantiated. | A call was conducted on May 6, 2014. Bedrock units will be defined as distinct hydrogeologic units based on rock characteristics observed during site investigations in the Numerical Groundwater Modelling Report. These rock characteristics define the bedrock's weathering profile, such as discolouration, intactness, weakness and clay content. Groundwater is inferred to flow primarily within structural discontinuities and joints at the local scale within each bedrock hydrostratigraphic unit. At the regional scale of the numerical model however, fractures and individual joint sets are expected to influence groundwater flow patterns similar to those in porous media. This approach assumes that each bedrock unit is sufficiently homogeneously fractured and interconnected such that the bedrock unit can be considered an equivalent porous medium.  During the call it was indicated that two detailed site investigation reports can be made available to MFLNRO, which provide additional information. It was agreed that a table presenting rock-quality designations (RQDs) will be provided in an Appendix to the Project Description in Section 2.2 of the Application. | Version H: No action required. | Satisfied          |
|                 |                         |  |   | In characterizing groundwater – surface water interaction, all visible groundwater seeps and discharge zones need to be identified and their flow approximated.  | All streams are potential discharge zones for groundwater in the Blackwater area. Section 5.1.2.3 hydrogeology of the Application describes that the watershed model indicates in general the groundwater discharge amounts expected per watershed in the water balance. The Modflow model and watershed model both present baseflow calibration results indicating groundwater discharge, and the Modflow model presents seepage flux estimates to streams.  Mean monthly streamflows at each project hydrologic station were   |                                |                    |



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|                 |                         | A  |                           |   | T  |                                | <u> </u>           |
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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment  | dAIR Version<br>Reference | Comment   | Proponent Response   | Action dAIR                    | EAO Comment/Status |
|                 |                         |  |                           | A seasonal estimate of the % groundwater contribution to the discharge of surface water streams should be reported at each hydrometric monitoring station, e.g. based on e.g., base flow hydrograph separation, chemical tracers, etc.  | estimated using the watershed model and are presented in the Watershed Model Report presented in an Appendix to Section 5.1.2.1 Hydrology baseline. Estimates of groundwater discharge to streamflow within each modeled sub-catchment can be extracted from the watershed model. An estimate of the percent groundwater discharge to streamflow within each project sub-catchment can be made by comparing the modelled streamflow and groundwater discharge values.  During the call it was agreed that, if required for review by MFLNRO, the seasonal estimate of the % groundwater contribution to the discharge of surface water streams could be subject of an Information Request pending review of the Application, if not included with the Application.   |                                |                    |
| 75.             | G<br>(February<br>2014) | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Dave Tamblyn,<br>MEng, PEng<br>April 30, 2014 | .3.3.3                    | model (flows, concentrations) should include a statistical description, and not just point estimates. The statistical description should include:  • a central value (eg, expected value, mean, median, etc) • measure of spread (standard deviation, range, upper bound, lower bound, ±, etc) • expected shape of distribution (eg, uniform, normal, exponential, triangular, right skew, left skew, etc) • expected correlation with other inputs • the level of confidence in the statistical description and its source (e.g, low, medium high, based on site-specific sampling, analogue sites, literature values, expert judgment).  This statistical description is essential to a probabilistic assessment of the receiving environment water quality. Such information is difficult to obtain after the fact, so it needs to be included in the Application when the key domain experts (consultants) are actively | Goldsim <sup>TM</sup> model. In many cases, and where MOE sampling guidelines were followed, there were not enough data to determine a statistical distribution; a reasonable upper bound was taken to be 95th percentiles since maximum values invariably represent outliers that only occur under occasionally with unpredictable repetition. The interaction of the various inputs was modeled, e.g., for worst case it was assumed no aging of cyanide destructed tailings and no neutralization of potential acidgenerating (PAG) rock in the tailings impoundment and a reasonable upper bound seepage escaping the environmental control dam. The approach used for modeling made use of the data to produce a reasonable upper bound or worst case scenario, one that required a combination of circumstances that are unlikely to occur and was thus more than adequately conservative.  MFLNRO indicated during the call that this will be subject to permitting and that any additional information may be requested during the Application review. | Version H: No action required. | Satisfied          |
|                 |                         |  |                           | engaged.  (iv) Probabilistic modelling should be used as a supplement to deterministic modelling. This allows a more grounded evaluation of expected and conservative (upper bound, worst case) impacts. Even if it is decided that probabilistic modelling is not an information requirement for the Application, the statistical  | Item (iv): BC MOE guidelines (2012) for estimating water quality effects were met or exceeded. To date, New Gold is not aware of any mining projects that have required probabilistic modeling of water quality, even for the permitting stage. MFLNRO indicated during the call that this will be subject to permitting and that any additional information may be requested  |                                |                    |



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|                 |                         |  | description of the input parameters (iii above) needs to be included in the Application to allow post hoc probabilistic modelling by others.   | No follow-up action was identified with respect to response presented in the call.   |                                |                    |
| 76.             | D<br>(July 2013)        | Chelton van Geloven<br>R.P.F<br>Source Water<br>Protection<br>Hydrologist<br>Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>September 3, 2013  | The following are areas that I have identified for enhancement in the dAIR that I think will improve the review of the Blackwater project.  5.1.2.1 Hydrology -Discussion on whether there is value in expanding the hydrologic network to include Chedakuz Creek and the large tributary that flows into the south-east corner of Tatelkuz lake. Depending on the needs outlined in the final water balance, improved resolution in the headwater hydrology of Tatelkuz Lake could prove beneficial to long term water management objectives. | Stream flow monitoring stations are being operated on Chedakuz Creek and Creek 661 as well as Davidson, Creek 705, Turtle and other creeks. As these include the creeks that could be impacted by the Project the network is believed to be adequate for the impact assessment. A follow up and monitoring plan will be developed in response to potential effects and any proposed mitigation including a water management plan and an aquatics monitoring plan. The hydrologic network will be reviewed based on the need determined during the effects assessment.  Section 12 of the dAIR identified management plans that will reflect mitigation developed through the effects assessment.   | Version G: No action required. | Satisfied          |
| 77.             | D<br>(July 2013)        | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Chelton van Geloven<br>R.P.F Source Water<br>Protection<br>Hydrologist  September 3, 2013       | 5.1.2.6 Fish and Fish Habitat  -Discussion on how Cabin protocol will be used. I.e. will reference conditions approach be employed and what steps is the proponent considering for partnerships with other Cabin users and development of a robust RCA model.  | The dAIR commits to the collection of benthic invertebrate data based on CABIN protocols allowing for the use of RCA models in the analysis. Applicable RCA models will be used along with other analysis as appropriate. The approach to the data analysis will be presented in the baseline information.  Benthic invertebrate communities in study area stream and lakes are characterized by dominance, taxa richness, and diversity and evenness indices supported by a combination of statistical analysis and reference condition models where applicable. The development of CABIN based RCA models is the responsibility of Environment Canada. In collecting data following the CABIN protocol and entering the information into the EC database New Gold has agreed to the information sharing requirements of that database and supporting the development of RCA models.    | Version G: No action required. | Satisfied          |
| 78.             | D<br>(July 2013)        | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Chelton van Geloven<br>R.P.F<br>Source Water<br>Protection<br>Hydrologist<br>September 20, 2013 | 5.3.4 Surface Water Flow -Include discussion how augmentation flow regimes will be designed and what indicators will be used to guide quantity/timing of water release.  | Mitigation measures will be discussed in relation to their expected effectiveness and associated uncertainty for each VC in Section 5 to Section 9 of the Application. Rationale for the design of flow augmentation will be provided in this context. Mitigation measures, including management and compensation or offsetting plans that would be implemented to address potential effects, are presented in Section 12 (Environmental Management Plans) and Section 20 (Summary of Mitigation Measures) of the Application.  The Application will describe the rationale for the flow augmentation system design. The augmented flow regime will be designed to protect flow-based habitat for fish VCs: rainbow trout and kokanee. Indicators used to guide quantity/timing of water release will be availability of habitat for fish valued components (rainbow trout and kokanee). |                                | Satisfied          |
| 79.             | D<br>(July 2013)        | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations<br>Chelton van Geloven   | 5.3.4 Surface Water Flow -discussion of sediment load dynamics in Davidson Creek and wha indicators would be monitored ongoing to understand if effects are occurring and the types of mitigations that could be initiated   | The dAIR states that Section 12 of the Application will contain a plan for the management of sediment and erosion control from the mine site. Section 13 will address monitoring, including sampling of total suspended solids (TSS) and monitoring based on aquatic biota.  During operations there will be no discharge from the mine site. Stream   | Version G: No action required. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version |  | dAIR Version<br>Reference | Comment  | Proponent Response  flows either through mitigation and planned flushing flows during operations and closure and by maintaining catchment size and flow routing at post closure will replicate baseline conditions including flushing flows and variability.   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|--|---------------------------|--|--|--|--------------------|
| 80.             | C<br>(April 2013)       | George Warnock<br>Ministry of Energy,<br>Mines and Natural G<br>as<br>May 27, 2013 | ection 2.2.3              | Open Pit: The proposed open pit will be approximately 2km long x 1.5km wide and will have a depth of up to 550 m. Limited additional information is provided. The scope of the AIR should be expanded to include:  • Description of the open pit development plan including pit phases  • Pit designs including slopes, design standards and geotechnical and hydrogeological considerations  • Description of proposed pit water management including inflow diversions and wall dewatering  • Description of conceptual instrumentation and monitoring of the pit during operations  • Description of geohazards influences on the pit   | Follow-up response: A call was conducted on June 21 <sup>st</sup> 2013 with MEM. The comments from George Warnock, who could not attend the call, were briefly discussed. His comments will be considered in the Application, and the dAIR has been revised as presented in the action to address his comment.   | Version D: Revised Section 2.2.3 of the dAIR with the following text: An overview of information on the following Project facilities will be presented in the Application with details present in an Appendix:  • Open pit:  • Description of the open pit development plan including pit phases;  • Pit designs including slopes, design standards, and geotechnical and hydrogeological considerations;  • Description of proposed pit water management including inflow diversions and wall dewatering;  • Description of conceptual instrumentation and monitoring of the pit during operations; and  • Description of geohazards influences on the pit.  Version G: No change required.   | Satisfied          |
| 81.             | C (April 2013)          | George Warnock<br>Ministry of Energy, M<br>ines and Natural Gas<br>May 27, 2013    |                           | Waste Rock Dumps, Low Grade Ore Stockpile, and Topsoil Stockpile: The dAIR includes brief descriptions of two waste rock dumps, a low grade stockpile, and a topsoil stockpile. The Type 4 waste rock dump has a planned capacity of 56Mt and the Type 3 waste rock dump has a planned capacity of 117Mt (including 73Mt overburden). The low grade ore stockpile would store 36Mt and the topsoil stockpile would store 0.5Mt. All of these facilities are considered to be major dumps as defined in Section 10 of the Health, Safety and Reclamation Code for Mines in BC (Code)  The scope of the AIR should be expanded to include: Feasibility level geotechnical investigation and design Foundation conditions including foundation angle and soil properties Feasibility level geotechnical stability assessment including preliminary factors of safety Water management features Conceptual plan for any proposed instrumentation or monitoring Failure modes effects assessment for each facility Development sequence for each facility Reference to the interim Guidelines of the BC Mine Waste Rock Pile Research Committee | MEM. The comments from George Warnock, who could not attend the call, were briefly discussed. His comments will be considered in the Application, and the dAIR has been revised as presented in the action to address his comment.   | Version D: Revised Section 2.2.3 of the dAIR with the following text:  • Waste rock dumps, low grade ore stockpile, and topsoil stockpile:  • Feasibility level geotechnical investigation and design;  • Foundation conditions including foundation angle and soil properties;  • Feasibility level geotechnical stability assessment including preliminary factors of safety;  • Water management features;  • Conceptual plan for any proposed instrumentation or monitoring;  • Failure modes effects assessment for the waste rock dumps, low grade ore stockpile, and topsoil stockpile;  • Development sequence for the waste rock dumps, low grade ore stockpile, and topsoil stockpile; and  • Reference to the interim Guidelines of the BC Mine Waste Rock Pile Research Committee.  Version G: No change required. | Satisfied          |
| 82.             | C<br>(April 2013)       | George Warnock<br>Ministry of Energy, M<br>ines and Natural Gas<br>May 27, 2013    | ection 2.2.3              | Tailings Storage Facility: The TSF will have a capacity of about 875 Mt including 356 Mt of tailings, and 519 Mt of PAG waste rock. The height of the main dam will be approximately 150 m. Figure 2.2-3 identifies additional dams including the Site C Saddle Dam, the Site C Main Dam, and the Environmental Control Dam. The scope of the AIR should be expanded to include:  • Feasibility level geotechnical investigation  • Feasibility level embankment design including heights, slopes, and method of construction  • Foundation conditions including foundation angle and soil properties  • Description of embankment construction materials and borrow   | Agree with comment. The information listed in the comment will be included in the Application.  Follow-up response: A call was conducted on June 21st 2013 with MEM. The comments from George Warnock, who could not attend the call, were briefly discussed. His comments will be considered in the Application, and the dAIR has been revised as presented in the action to address his comment. | Version D: Revised Section 2.2.3 of the dAIR with the following text:  • Tailings storage facility:  • Feasibility level geotechnical investigation;  • Feasibility level embankment design including heights, slopes, and method of construction;  • Foundation conditions including foundation angle and soil properties;  • Description of embankment construction materials and borrow source locations;  • Feasibility level geotechnical stability assessment including preliminary factors of safety;  • Description of tailing properties;  • Conceptual plan for any proposed instrumentation or monitoring;  • Description of any water diversion structures and spillways;  • Description of seepage control rates and seepage management;  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & dAIR Version Reference  | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|--|--|--|--------------------|
|                 |                         |   | source locations  • Feasibility level geotechnical stability assessment including preliminary factors of safety  • Description of tailing properties  • Conceptual plan for any proposed instrumentation or monitoring  • Description of any water diversion structures and spillways  • Description of seepage control rates and seepage management  • Description of geohazards that could influence the TSF  • Reference to the Canadian Dam Association, Dam Safety  Guidelines including consequence classification, seismic design criteria, and inflow design flood |  | Description of geohazards that could influence the TSF; and     Reference to the Canadian Dam Association, Dam Safety Guidelines including consequence classification, seismic design criteria, and inflow design flood.      Version G: No change required.   |                    |
| 83.             | C<br>(April 2013)       | George Warnock Ministry of Energy, M ines and Natural Gas May 27, 2013  | Water Storage and Sediment Pond Facilities: Details of additional water storage facilities or sediment ponds are not clearly identified in the draft AIR. Descriptions and designs for these facilities should address those points listed above. All major impoundments and dams (defined on page 10-2 of the Code) must be designed in accordance with the Canadian Dam Association, Dam Safety Guidelines.  | Comment noted. The TSF will act as the main water storage facility for ore processing. In addition to the TSF, the Project proposes the construction of a fresh water reservoir that will serve the double purpose of supplying make-up water to the plant and provide fresh water for fish habitat mitigation. The design of this facility will follow the Canadian Dam Association Dam Safety Guidelines and will be presented in the Application.  If sediment ponds are required during the construction phase, these will be clearly identified in the Application. The proposed management of onsite runoff includes collection and pumping towards the TSF.  Follow-up response: A call was conducted on June 21 <sup>st</sup> 2013 with MEM. The comments from George Warnock, who could not attend the call, were briefly discussed. His comments will be considered in the Application, and the dAIR has been revised as presented in the action to address his comment. | approach for sediment control was added:  The TSF will act as the main water storage facility for ore processing. In addition to the TSF, the Project proposes the construction of a fresh water reservoir, which will serve the double purpose of supplying make-up water to the plant and provide fresh water for fish habitat mitigation. The design of this facility will follow the Canadian Dam Association Dam Safety Guidelines and will be presented in the Application. If sediment ponds are required during the construction phase, these will be clearly identified in the Application. | Satisfied          |
| 84.             | C<br>(April 2013)       | George Warnock<br>Ministry of Energy, M<br>ines and Natural Gas<br>May 27, 2013   | Off-site Infrastructure: Major off-site infrastructure includes a 133 km long transmission line, a 15 km long access road, a rail transfer facility, and a 20km long water pipeline. These off-site infrastructure have not been considered in this review, but will require review by other agencies during the EA process or at the time of permitting.  | Comment noted.  Follow-up response: The transload facility as described in the Project Description (AMEC, 2012) is no longer being considered as a component of the Project.   | Version D: No action required.  Version G: The transload facility has been removed from the dAIR version G.  | Satisfied          |
| 85.             | C<br>(April 2013)       | George Warnock<br>Ministry of Energy, M<br>ines and Natural Gas<br>May 27, 2013   | Accidents or Malfunctions: Breach or failure of the tailings dam has been included in the draft AIR. The AIR should be expanded to include pit wall failure and failure of waste rock dumps or stockpiles.   | Agree with comment. Pit wall failure and failure of the waste rock dumps and low grade stockpile will be added to the scenarios to be considered under Section 10 Accidents and Malfunctions.  Follow-up response: A call was conducted on June 21 <sup>st</sup> 2013 with MEM. The comments from George Warnock, who could not attend the call, were briefly discussed. His comments will be considered in the Application, and the dAIR has been revised as presented in the action to address his comment.  | Version D: Revised bullet list in Section 10 with the following text: Pit wall failure and failure of the waste rock dumps and low grade stockpile;  Version G: No change required.  | Satisfied          |
| 86.             | C<br>(April 2013)       | Inspector of Mines (Reclamation) Ministry of Energy and Mines and Natural Gas Jennifer McConnachie, MSc, PAg May 27, 2013 |  | Comment noted. The Application will provide rationale. Since no standards exist for acceptable levels of trace metals in natural soils (forested), the most stringent of criteria is used to determine an appropriate baseline level. For the BC CSR and CCME guidelines this equates to the Urban Park and Residential/ Parkland criteria respectively. Upon reclamation of the Project, Industrial guidelines would be considered appropriate due to the industrial activities perceived to occur on the site. In the baseline report, these Industrial criteria are presented as a comparison to the more stringent criteria to show acceptable ranges for the trace metals.  |  | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment   | dAIR Version<br>Reference                            | Comment   | Proponent Response  | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|--|---|---|---|--------------------|
|                 |                         |   |  |   | Follow-up response: A conference call was held on June 21st 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. During this call it was discussed that the wildlands guidelines will also be considered for the Application.  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  Section 2.6 will present a description of the reclamation goals for the project, including end land use objectives.  The rationale for use of particular standards toward assessing soil quality will be presented in Section 5.1.3.2 of the Application.  |   |                    |
|                 | _                       |   |  |   | No further follow-up action was identified with respect to response and dAIR action presented.  |   |                    |
| 87.             | C<br>(April 2013)       | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | Section 5.1.3.4:<br>Wildlife and<br>Wildlife Habitat | Baseline Information and Environmental Effects Assessment: 2.) Section 5.1.3.4 (Wildlife and Wildlife Habitat) indicates that habitat suitability ratings will be developed based on vegetation/habitat mapping. This is an appropriate activity, however it is useful to provide explanation as to how wildlife suitability will relate to the closure objective of land capability. | Comment noted. Habitat suitability is used as the measure of how reclamation will mitigate changes from mine development. Where feasible habitat ratings for VC species such as caribou, Clarke's nutcracker, etc. will be increased.  Follow-up response: A conference call was held on June 21 <sup>st</sup> 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.   | Version D: Section 5.1.3.4 of the dAIR was revised with the following text: (d) documentation of inventories and chosen wildlife VC suitability ratings based on vegetation / habitat mapping as related to land capability closure objectives;  Version G: No change required. | Satisfied          |
| 88.             | C<br>(April 2013)       | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | Terrestrial  |   | Agree with comment. A Reclamation and Closure section has been inserted below Section 2.2.5 of the dAIR. Where appropriate, BMPs such as soil salvage, progressive reclamation will be applied as measures to mitigate potential adverse Project effects on the aquatic and terrestrial environment. A summary of the conceptual reclamation and closure plan will be included in Section 2.2.6 and the conceptual plan will be included as an Appendix. The plan will include the information mentioned in the comment and will cross-reference relevant management plans presented in the Application (e.g. Invasive Species Management Plan, Fish Habitat Compensation Plan).  Follow-up response: A conference call was held on June 21 <sup>st</sup> 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix. | Version D: dAIR revised to include Section 2.2.6 Reclamation and Closure.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure.  | Satisfied          |



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|                 |                         | Author of Commont   |   |  |   |   |                    |
|-----------------|-------------------------|---|---|--|---|---|--------------------|
| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference                             | Comment  | Proponent Response  | Action dAIR   | EAO Comment/Status |
| 89.             | C<br>(April 2013)       | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | Section 5.4.4.2<br>(Ecosystem<br>Composition)         | Baseline Information and Environmental Effects Assessment: 4.) Section 5.4.4.2 (Ecosystem Composition) states that Project footprint will be superimposed over the pre-development terrestrial ecosystem map to assess environmental effects. This is also an important activity related to reclamation planning. It is recommended that a similar exercise is performed for all relevant Value Components (e.g., surface water, soils, wetlands, vegetation, wildlife) in order to inform the mine design and to develop appropriate reclamation approaches and strategies that consider the contiguity of ecological components and landscape form and function toward maximizing post-closure land capability.  | discuss Jennifer McConnachie's comments on Version C of the dAIR.  No follow-up action was identified with respect to response and dAIR action presented.  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application   | Version D:  Section 2.2.6 of the dAIR revised to include the following text: Key Project objectives relevant to reclamation and closure include the design of the mine for closure; and the practice progressive rehabilitation of areas impacted by its activities.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure. | Satisfied          |
|                 |                         |   |   |  | with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  |   |                    |
| 90.             | C (April 2013)          | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | Section 12.2:<br>Environmental<br>Management<br>Plans | Reclamation and Closure Planning: 5.) Section 12.2 (Environmental Management Plans) states that "[a]activities or mitigation proposed for the closure and post-closure phases, including the Landscape Design and Restoration Plan, Soi. Salvage and Site Reclamation Plan, and Facilities Decommissioning Plan, will be presented in the Closure Plan that will be integrated into the Project Description in Section 2.2." No information is provided as to what will be included in these plans. The application must clearly indicate how the reclamation and closure plan will meet end land use objectives. Details included in the above noted environmental management plans should address the reclamation standards as outlined in Section 10 of the Health, Safety and Reclamation Code for Mines in BC, such as: a. Long-term erosion control, including drainage modelling on mine features such as waste rock dumps and tailings storage facilities to inform landform shaping and drainage features that may be required to ensure reclamation success and achievement of end land use objectives, b. Surface preparation and compaction amelioration strategies appropriate to closure objectives for mine component features, c. Soil salvage and replacement inventories and methods, d. Stockpiling methods and treatments, e. Conceptual revegetation plans and research programs toward tailoring prescriptions to site-specific land capability requirements and changes to environmental conditions caused by disturbance, and f. Conceptual reclamation plans for all expected decommissioning activities, including preliminary scheduling. | The plan addressing the reclamation standards outlined in Section 10 of the Health, Safety and Reclamation Code for Mines in BC will be included as an appendix to Section 2. The information listed in the comment will be included in the plan and summarized in the Application.  Follow-up response: A conference call was held on June 21 <sup>st</sup> 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. The dAIR Version D was revised to reflect Jennifer McConnachie's comment. No additional follow-up action was identified with respect to response and dAIR action presented.  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix. | Version D: dAIR revised to include Section 2.2.6 Reclamation and Closure.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure.  | Satisfied          |
| 91.             | C<br>(April 2013)       | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | not given   | Reclamation and Closure Planning: 6.) It is expected that progressive and ongoing reclamation activities will occur throughout all phases of mine development, not only closure and post-closure. The reclamation and closure plan should seek to identify potential opportunities in this regard.   | Agree with comment. Opportunities for progressive and ongoing reclamation activities will be identified and described as part of the Reclamation and Closure Plan. Progressive reclamation from years 1 to 15 will be detailed. Plans for Project closure and post-closure will also be included.  Follow-up response: A conference call was held on June 21st 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.   | Version D: Addressed in action to comment 110. No further action needed.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure.   | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment   | dAIR Version<br>Reference | Comment   | Proponent Response   | Action dAIR EAO Comment/Stat  |
|-----------------|-------------------------|---|---------------------------|---|--|---|
|                 |                         |   |                           |   | Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  |   |
| 92.             | C<br>(April 2013)       | Inspector of Mines<br>(Reclamation)<br>Ministry of Energy<br>and Mines and<br>Natural Gas<br>Jennifer<br>McConnachie, MSc,<br>PAg<br>May 27, 2013 | not given                 | Reclamation and Closure Planning: 7.) The concept of "designing for closure" should be considered in the application. Closure objectives and design criteria should be clearly stated in the application. For example, how will landforms be created to maximize land capability/wildlife habitat? As well as what were the specific closure considerations and assumptions utilized to determine mine component design specifications and constraints? | Agree with comment. Closure objectives and design criteria and assumption that will be followed to achieve the reclamation objectives will be detailed in the Reclamation and Closure Plan.  Follow-up response: A conference call was held on June 21st 2013 to discuss Jennifer McConnachie's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: Addressed in action to comment 110. No further action needed.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure.   |
|                 |                         |   |                           |   | Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  |   |
| 93.             | C<br>(April 2013)       | Ministry of Energy<br>and Mines and<br>Natural Gas<br>Tania Demchuk,<br>MSc, GIT<br>Senior<br>Environmental<br>Geoscientist<br>May 27, 2013       | Acronyms (page xvii)      | MEMNG). Note that it appears correctly throughout the text of the document.   | Comment noted. Acronyms (page xvii) - the acronym BC MEMPR is used in citing a reference "Health, Safety and Reclamation Code for Mines in British Columbia, Ministry of Energy, Mines and Petroleum Resources Mining and Minerals Division, Victoria, British Columbia. 2008. Updating the acronym is not applicable in this case.  Follow-up response: A conference call was held on June 21st 2013 to discuss Tania Demchuk's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented. | Version D: Acronym was deleted from the acronyms list, since it only appears once in the document, and the entire name (BC Ministry of Energy, Mines and Petroleum Resources, 2008) was used in the citation.  Version G: No change required.   |
| 94.             | C<br>(April 2013)       | Ministry of Energy<br>and Mines and<br>Natural Gas<br>Tania Demchuk,<br>MSc, GIT<br>Senior<br>Environmental<br>Geoscientist<br>May 27, 2013       | Section 2.2.3             | peak flow events.   | Agree with comment. a. Hydraulic design criteria will be provided for water management and diversion structures. b. The Section 2.2.6 Reclamation and Closure will include an overview of the temporary or early-permanent closure plan for the low grade ore stockpile. c. Condemnation drilling has been conducted to ensure mine infrastructure will not compromise mining of ore for the Project.  | Version D: dAIR revised to include Section 2.2.6 Reclamation and Closure.  Version G:  Concerning a):  Section 2.2.3 (On-site components and Infrastructure) of the dAIR will be updated to include that the Application will provide a descriptions of hydraulic design criteria used for water management facilities. |
|                 |                         |   |                           |   | Follow-up response: A conference call was held on June 21st 2013 to discuss Tania Demchuk's comments on Version C of the dAIR.  Concerning a): Section 2.2.3 On-site components and Infrastructure of the dAIR will be updated to include that the Application will provide descriptions of hydraulic design criteria used for water management facilities.  | Concerning b):  Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure.  Concerning c):  Section 2.2.3 (On-site components and Infrastructure) of the dAIR will be updated to include that the Application will provide a description  |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment   | dAIR Version<br>Reference  | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|---|--|--|--|--|--------------------|
|                 |                         |   |  |  | Concerning b):  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version G of the dAIR will have a new Section 2.6 to bring the full description of closure and reclamation measures to the main text of the Application without an additional appendix.  Section 2.6 of the dAIR explains that the reclamation and closure plan will also describe management strategies for temporary closure (including a description of the conditions under which temporary closure will occur).  Concerning c):  Section 2.2.3 On-site components and Infrastructure of the dAIR will be updated to include that the Application will provide a description of the condemnation drilling executed for locating the mine site infrastructure.  | of the condemnation drilling executed for locating the mine site infrastructure. |                    |
| 95.             | C<br>(April 2013)       | Ministry of Energy<br>and Mines and<br>Natural Gas<br>Tania Demchuk,<br>MSc, GIT<br>Senior<br>Environmental<br>Geoscientist<br>May 27, 2013 | Section 5.1.3.1:<br>Geology and<br>Geochemistry  | <ol> <li>Section 5.1.3.1: Geology and Geochemistry - Geochemical characterization work should be completed in accordance to the documents listed below, which are to be referenced in the AIR.</li> <li>Policy for Metal Leaching and Acid Rock Drainage at Minesites in British Columbia, Ministry of Energy and Mines and Ministry of Environment, Lands and Parks, July 1998.</li> <li>Guidelines for Metal Leaching and Acid Rock Drainage at Minesites in British Columbia, Ministry of Energy and Mines, August 1998.</li> </ol>   | Agree with comment. The Application will include references to guidance documents cited in the comment. The ML/ARD characterization is being completed using best practices that include the BC guidance documents and the MEND Prediction Manual.  Follow-up response: A conference call was held on June 21st 2013 to discuss Tania Demchuk's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  | Version D: No action required.  Version G: No change required.                   | Satisfied          |
| 96.             | C<br>(April 2013)       | Ministry of Energy<br>and Mines and<br>Natural Gas<br>Tania Demchuk,<br>MSc, GIT<br>Senior<br>Environmental<br>Geoscientist<br>May 27, 2013 | Section 5.3.2:<br>Surface Water<br>Quality<br>Section 5.3.5:<br>Groundwater<br>Quality | 4. Section 5.3.2 (Surface Water Quality) and Section 5.3.5 (Groundwater Quality) - The following details are required so that is clear how the effects assessment of surface water and groundwater quality will be approached with respect to development of geochemical source terms.  a. Geochemical modeling will be presented in a clear and transparent manner and the methods, assumptions and rationale used to generate source terms and estimate water quality will be thoroughly explained (including the use of any geochemical analogues).  b. Water quality predictions will be conducted for relevant timesteps in the mine life (i.e. temporal boundaries will include operations, closure, commencement of discharge to the receiving environment, post-closure, etc.).  c. The lag time to ML/ARD onset will be assessed for all potentially ARD generating materials and this information will be utilized in the development of management plans. | Water quality predictions will be provided for the relevant time steps in the Project life cycle.  The ML/ARD characterization will include a section on the development of geochemical source terms and their application in predictive water quality modelling.  Water quality predictions from waste rock will be done for the mine life, closure, and post-closure phases.  The lag time to ML/ARD will be determined for material that is PAG or metal leaching as part of the characterization report. The characterization report includes a section that outlines ARD 'rules' used to guide waste management plans.  Follow-up response: A conference call was held on June 21 <sup>st</sup> 2013 to discuss Tania Demchuk's comments on Version C of the dAIR. No follow-up action was identified with respect to response and dAIR action presented.  Concerning a):  Section 5.1.3.1 of the dAIR states that "Data from the kinetic testing program will also be presented together with the prediction of chemical loading from anticipated facilities using laboratory data. Both static and kinetic test results guide waste management practices to prevent or minimize ML/ARD. These practices will be described with greater detail in the surface water and groundwater quality effects assessment."  Concerning b): | Version D: No action required.  Version G: No action required.                   | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference | Comment | Proponent Response   | Action dAIR | EAO Comment/Status |
|-----------------|-------------------------|-------------------------------------|---------------------------|---------|--|-------------|--------------------|
|                 |                         |                                     |                           |         | be used in deterministic mode (i.e., using set values for input parameters, with a number of scenarios to provide sensitivity analyses).  Operations, closure and post-closure will be modelled. Construction will be modelled if there is to be a discharge from a sediment control pond (possibly not required if winter construction of starter dam)."  Concerning c):  Section 2.2.3 On-site components and Infrastructure of the dAIR indicates that the Application will describe how the results of the geochemical characterization will be used for mine waste management. Section 12.2 of the Application will present environmental management plans that will address mine waste management. |             |                    |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment   | dAIR Version<br>Reference                  | Comment  | Proponent Response   | Action dAIR   | EAO Comment/Status |
|-----------------|-------------------------|---|--|--|--|---|--------------------|
| 97.             |                         | Ministry of Energy and Mines and Natural Gas Tania Demchuk, MSc, GIT Senior Environmental Geoscientist May 27, 2013 | Section 5.3.2:<br>Surface Water<br>Quality | <ul> <li>5. Section 5.3.2 (Surface Water Quality). This section requires enhancements to include greater scoping of the information that wil be supplied for mitigation of ML/ARD effects to surface water quality and groundwater quality. The document states that segregation and subaqueous storage are the primary mitigation/management strategies being proposed. It is requested that the following details be incorporated into the draft AIR. The details expected for other mitigation strategies are also included below and should be included if relevant to the proposed project.</li> <li>a. If waste rock segregation is proposed, the application will demonstrate the feasibility to successfully segregate PAG and non-PAG mine waste materials during operations, propose geochemical segregation criteria and identify operational methods to achieve geochemical characterization and segregation during operations (i.e. geochemical surrogates, on site lab, procedures needed etc.). The application will include a sensitivity analysis to assess the effects of imperfect segregation of waste rock.</li> <li>b. If a water cover is proposed for ML/ARD management, information will be provided to identify the types, volumes and geochemistry of mine waste to be flooded, the lag time to onset of ML/ARD in mine waste to be flooded, the disposal methods and location, the time until full flooding will occur, information to demonstrate that mine wastes will remain flooded during extreme climatic events, measure to mitigate soluble contaminants that could affect water quality, an assessment of geochemical stability under flooded conditions, and monitoring and maintenance requirements to ensure geochemical and physical security of flooded mine wastes (refer also to ML/ARD guidelines).</li> <li>c. If engineered cover systems are proposed as a ML/ARD mitigation plan for the project, a conceptual design will be provided including the design objectives and principles, the characteristics and volumes of cover materials required, construction methods, ass</li></ul> | measures will be presented in Section 20 of the Application.  a. feasibility of PAG and non-PAG waste rock segregation will be supported by the development of ML/ARD block model. Section 5.1.3.1 Geology and Geochemistry will address the effects of imperfect segregation. Details will be presented in a characterization report which will be appended to the Application.  b. Sub-aqueous storage of acid generating or metal leaching waste rock is planned. The ML/ARD characteristics of this waste, and the tonnage and management of the material will be presented in the Application. Predictive water quality modelling based on lab and field tests will be used to examine metal loads under sub-aqueous conditions and will include assessment of time to flooding.  c. Engineered covers are not currently planned.  d. Water management and water quality will be described in the Application.  e. Section 2.2.6 will describe closure or early-permanent closure scenarios. f. Additional mitigation strategies will be proposed under Sections 5.3.2 Surface Water Quality.  Follow-up response: A conference call was held on June 21st 2013 to discuss Tania Demchuk's comments on Version C of the dAIR. The response presented has been discussed during the call and no follow-up action was requested.  Concerning b):  Section 2.2.3 On-site components and Infrastructure of the dAIR presents characteristics and tonnages of mine waste in Table 2.2-1. Management of mine waste will be discussed in Section 12.2 under environmental management plans.  Concerning d):  Section 12.2 of the dAIR indicates that the Application will include water management under environmental management plans.  Concerning e):  Former dAIR versions presented in Section 2.2.6 a summary of reclamation and closure aspects in the main text of the Application with details in an appendix. Reclamation and Closure has been identified as a main topic by several members of the working group. Therefore, version 6 of the dAIR will have a new Section 2.6 to bring the full description of closu | Version D: No action required.  Version G: Section 2.2.6 Reclamation and Closure will be renumbered to Section 2.6 Reclamation and Closure. | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & Date of Comment | dAIR Version<br>Reference                            | Comment  | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|-------------------------------------|--|--|--|--|--------------------|
| 98.             | (April 2013)            | and Mines and<br>Natural Gas        | Section 12:<br>Environmental<br>Management<br>System | if the Mine Waste Management EMP refers to waste rock and tailings management. If not, an EMP for mined materials should be included.  | The mine waste management plan listed in Section 12.2 deals with overburden, waste rock, and tailings.  Follow-up response: A conference call was held on June 21 <sup>st</sup> 2013 to discuss Tania Demchuk's comments on Version C of the dAIR.  The response presented has been discussed during the call and no follow-up action was requested. | Version D: No Action required.  Version G: No change required. | Satisfied          |
| 99.             | D<br>(July 2013)        | -                                   | Version D,<br>various                                | "In response to your request below, the Tourism Branch would like the proponent to consider the following tourism/recreation interests. They have already approached a number of tenure holders and parks departments, but I thought I would include the full list of tourism activities, facilities and features that we would like them to consider. I have also included a list of agencies where they can find this information.  You might want to draw their attention to number 7, where we have asked the proponent to consider opportunities where they can add value to their development, by providing tourism related products or experiences. We would be happy to discuss these options with the proponent." | Recreation and tourism use will be assessed in the EA as an indicator to the Non-traditional land and resource use VC. Regarding number 7, the scope of an EA does not typically consider opportunities to provide tourism values. These may however be considered as mitigation as required.  | Version E: None  Version G: No change required.                | Satisfied          |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment & dAIR Versio Reference | Commer   | nt  | Proponent Response | Action dAIR | EAO Comment/Status |
|-----------------|-------------------------|---|--|---|--------------------|-------------|--------------------|
|                 |                         |   | TOURISM/RECREATION CONSIDERATIONS FOR ENVIRONMENTAL ASSESSMENTS  | WHERE TO FIND<br>INFORMATION  |                    |             |                    |
|                 |                         |   | Crown land tenure owners with tourism interests – guide outfitters, adventure tourism tenures, commercial recreation tenures, grazing leases for guest ranches, etc.   | Ministry of Forests,<br>Lands and Natural<br>Resource<br>Operations     Individual tenure<br>owners   |                    |             |                    |
|                 |                         |   | Federal and Provincial parks,     Recreation sites and trails,     regional and/or local parks in     the area.  | Parks Canada/BC     Parks     Ministry of Forests,     Lands and Natural     Resource     Operations     Regional     District/Closest     Municipalities   |                    |             |                    |
|                 |                         |   | Backcountry tourism operations     resorts, camps, retreats, ski lodges, etc.  | Local and Regional     Destination     Marketing     Organizations  |                    |             |                    |
|                 |                         |   | 4. Local recreational clubs – ATV, hiking, snowmobile, cross-country skiing, etc.  5. Public recreation activities and facilities – fishing, hiking, picnicking, boat launches, trails, remote campsites, etc.   | <ul> <li>Destination British<br/>Columbia (Crown<br/>Corporation)</li> <li>Closest<br/>Municipalities</li> <li>Chambers of<br/>Commerce</li> </ul>  |                    |             |                    |
|                 |                         |   | Natural features important to local tourism – waterfalls, hot springs, beaches, lakes, canyons, mountains, rivers, viewscapes, etc.  |   |                    |             |                    |
|                 |                         |   | 7. Has the proponent considered opportunities to create new products or experiences to support or enhance tourism, linked to the proposed development? (i.e. guided facility tours, interpretive signs and brochures, lookout points, trails leading to the development joining to community areas or existing trails, etc.) | <ul> <li>Local tourism         businesses and/or         organisations</li> <li>Local and Regional         Destination         Marketing         Organizations</li> <li>Destination British         Columbia (Crown         Corporation)</li> <li>Closest         Municipalities</li> </ul> |                    |             |                    |
|                 |                         |   |  | Chambers of<br>Commerce   |                    |             |                    |



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| Comment<br>ID # | Draft<br>AIR<br>Version | Author of Comment<br>&<br>Date of Comment  | dAIR Version<br>Reference | Comment   | Proponent Response   | Action dAIR  | EAO Comment/Status |
|-----------------|-------------------------|--|---------------------------|---|--|--|--------------------|
| 100.            | D<br>(July 2013)        | Ministry of Environment Environmental Protection Division - Mining Section Omineca and Peace Regions  Kevin Mernickle R.P.Bio. Environmental Protection Officer  August 27, 2013 | Section 12.2              | In addition to the list of topics provided under section 12.2 - Environmental Management Plans have you considered explosives, noise, and fuel storage? | Agree with comment. Explosives, noise and fuel storage are components addressed in environmental management plans as listed in Section 12.2 of the dAIR (for example construction management, hazardous materials management). | Version F: No action required.  Version G: No action required. | Satisfied          |



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| Comment Draft ID # AIR Version | Author, Date & Type of Comment  | dAIR<br>Version<br>Reference   | Comment  | Proponent Response   | Action dAIR  | BC EAO<br>Comment/Status |
|--------------------------------|---|--|--|--|--|--------------------------|
| 1. F (September 2013)          | Laidman Lake Ecolodge -<br>Laidman Lake, BC  October 23, 2013  Letter | Section 3.4 Public and Agency Information Distribution and Consultation; Section 4.3.1 Assessment Boundaries; Section 4.3.6 Assessment of Cumulative Effects | Blackwater Gold Project and as such we request that we be consulted and personally engaged in discussions as the project progress though the various stages of approvals.  We also request that our property be specifically included in all impact assessment studies. We do not oppose the project as described in the document titled "New Gold Inc. Blackwater Gold Project British Columbia Project Description Summary" dated October 24, 2012, so long as the impact assessment studies conclude that the proposed Blackwater Gold Project will not now, or in the future, result in adverse impacts to the operations of the Laidman Lake Ecolodge nor the quiet enjoyment of our residence located there. | Project effects are not expected in the area where the lodge is located therefore it has not been included in the Local Study Area.  The Regional Study Area is defined as a larger area (relative to the Local Study Area) and used to provide context for the assessment of potential project effects. | Version G: Laidman Lake Lodge will be added to the list of stakeholders in the preface of Version G of the dAIR. | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of Comment   | dAIR<br>Version<br>Reference                             | Comment  | Proponent Response   | Action dAIR                                       | BC EAO<br>Comment/Status |
|-----------------|-----------------------|--|--|--|--|---|--------------------------|
| 2.              | F<br>(September 2013) | Avison Management Services Ltd Vanderhoof,British Columbia November 7, 2013 Letter                     | Section 3 Assessment Process                             | Avison Management Services Ltd. Has operated in the Vanderhoof Forest District for the past 33 years. During that time we have gained an extensive knowledge of the land base, its resources and stakeholders. As members of the community, environmental consultants and business people we have numerous experiences over the past 30 years with different organization and proponents of the various projects. Our experiences with New Gold to date have been very positive on all levels as they have made substantial effort in the community engagement, communication, and environmental excellence.  In our opinion New Gold has exceeded the AIR requirements and has communicated those requirements effectively though various public open houses and Community Liaison Committee meetings. New Gold has also provided access to its baseline data collections results and project intentions in an open and engaging manner.  We are also impressed as the level of environmental stewardship that New Gold has delivered on, during the past 3 years. It has been at a level seen by stakeholders in the Vanderhoof Forest District.  New Gold's mission to engage local companies with employment opportunities has been incomparable. The engagement of the First Nations in our area is also been successful as nearly 25% of the employment onsite if First Nations.  The continued success of the New Gold Blackwater Project will provide growth and diversity for our communities and region and we strongly encourage the EAO to approve the DAIR. |  | Version G: No action required to update the dAIR. | Satisfied                |
| 3.              | F<br>(September 2013) | City of Quesnel - Quesnel,<br>British Columbia<br>November 5, 2013<br>Letter                           | Process; Section 6                                       | Oh behalf of Quesnel City Council, I wish to extend support for the New Gold Blackwater Project.  As a Regular meeting of Council, held November 4, 2013, Quesnel City Council resolved to forward our endorsement of the proposed Blackwater Project.  In consultation with the Quesnel Community Economic Development Corporation, we note that the Blackwater Project will have significant economic benefits to Quesnel and area. New Gold anticipates 1600 construction jobs and 500 operational jobs and has committed to hire locally first. Through QCEDC's participation with the Community Liaison Committee, they have attested to New Gold's commitment to the environment, First Nations and local communities.  The City of Quesnel is excited to see this new initiative move forward and diversify our economy and region.   |  | Version G: No action required to update the dAIR. | Satisfied                |
| 4.              | F<br>(September 2013) | Quesnel Community and<br>Economic Development<br>Corporation (QCEDC) -<br>Quesnel, British<br>Columbia | Section 6 Assessment<br>of Potential Economic<br>Effects | The Quesnel Community and Economic Development Corporation (QCEDC) supports the New Gold Blackwater Project.   | New Gold is committed to continuing its engagement with stakeholders regarding the Blackwater Gold Project.                          | Version G: No action required to update the dAIR. | Satisfied                |
| 5.              | F<br>(September 2013) | Letter  Denis and June Wood -  | Section 2.2.4 Off-site                                   | Having attended several meetings with New Gold both at their offices and at their open houses over the past year or so we have collected   | Section 2.5 of the Application will present the assessment of alternatives for project components such as the transmission line. The | Version G: No action required to update the       | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of Comment  | dAIR<br>Version<br>Reference  | Comment   | Proponent Response   | Action dAIR                                       | BC EAO<br>Comment/Status |
|-----------------|-----------------------|---|---|---|--|---|--------------------------|
|                 |                       | Vanderhoof, BC  November 5, 2013  Letter                              | Infrastructure  | considerable information about the Blackwater Gold Project. The issue which concerns us most is the proposed location of the power line between the B.C. Hydro Provincial grid south of Endako and the proposed project site. To us some portions of the proposed route are entirely unacceptable and we will attempt to explain why and offer a solution.  | rationale for the selection of the preferred alternative will be provided in this Section of the Application.  New Gold will continue to work with land owners through the development of the Blackwater Project and track information received and where feasible incorporate into operating plans.   | dAIR.   |                          |
| 6.              | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 2.2.4 Off-site Infrastructure  Section 7.2.7 Visual Resources | The route of the proposed right-of-way runs roughly east from the Endako sub-station, then south-east toward the Nechako River. From what we have learned, most of this part of the proposed route would cross clear-cut crown land and follow existing forest access roads. As it approaches the Nechako River crossing and Greer Mountain, the terrain becomes more remote and wilderness in nature. After crossing Greer Creek the proposed power line heads in a more southerly direction through mainly wilderness, around Hobson Mountain toward the East Swanson Forest Service Road (FSR) which it follows until intersecting the Lucas 500 FSR. From there it travels south-eastward crossing Big Bend creek and eventually meeting the Kluskus FSR. It  | Considerable effort has been made in engaging potentially impacted land tenure holders regarding the alignment of the proposed transmission line. Approximately 40% of the proposed transmission line has been re-aligned to accommodate interests identified through engagement with land tenure holders. The proposed transmission line gnow follows existing disturbed areas for almost 70% of its length to avoid unnecessarily fragmenting habitat. New Gold is committed to continuing its engagement with stakeholders regarding the Blackwater Gold Project.  Viewscapes are discussed in several places in the dAIR. First, Section 7.1.4 Visual Resources speaks to the baseline information collection. Second, Section 7.2.8 outlines the Visual Resources effects assessment. |   | Satisfied                |
| 7.              | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 7.2.7 Visual<br>Resources                                     | Information from New Gold indicates that the north-west part of their proposed route will cross crown land that is already logged and contains existing logging roads connected to the Holy Cross FSR. While this may be true today it will not be in the future. The logged blocks (and they are almost continuous in the north-west section) are all replanted. Once the new trees reach a certain size the logging roads will be deactivated by the Forest Licensee and the "free to grow" forest will become the responsibility of the provincial government. The new forest will then take on the characteristics of a natural forest, thus benefiting the entire ecosystem. A 40 metre swath cut through the middle of the wilderness along with the permanent access trails required for its maintenance will have very negative impacts. Then there is the task of crossing the Nechako River in an area that is very remote and has little if any access at the moment. Efforts to prevent large scale logging in the Greer Mountain, Greer Creek, and Hobson Mountain landscapes have been successful. The viewscapes from the river itself provide an almost totally natural vista something we want to continue to see. In addition, the structure itself |  | Version G: No action required to update the dAIR. | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of Comment  | dAIR<br>Version<br>Reference                              | Comment  | Proponent Response  | Action dAIR                                       | BC EAO<br>Comment/Status |
|-----------------|-----------------------|---|---|--|---|---|--------------------------|
|                 |                       |   |   | would diminish the natural experience for canoeists and boaters. A power line over the river at this point is neither acceptable nor necessary. Heading south around Hobson Mountain exposes mainly wild areas to the disturbance caused by the power line construction and permanent access / maintenance trails.   |   |   |                          |
| 8.              | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 5.4.10 though 5.4.13                              | One of the most obvious results of the proposal will be the <b>effect on our ungulate populations.</b> A report produced in May 2012 by the Ministry of Forests, Land and Natural Resource Operations states   | moose and caribou. A cumulative effects assessment will be conducted if residual project effects will be identified. Mitigation measures will be proposed for potential project effects. Management plans are presented in section 12.2 of the dAIR to address potential issues associated with access for the mine site and the transmission line.   |   | Satisfied                |
| 9.              | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 5.4.5<br>Ecosystem Composition                    |  | topics that will be dealt by the Environmental Management Plan including Emergency and Spill Preparedness and Response Plan that discusses procedures for Fire at the Mine Site, and procedures for   | Version G: No action required to update the dAIR. | Satisfied                |
| 10.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 7.2.3 Regional<br>and Community<br>Infrastructure |  | Sabotage is not included in the scope of the environmental assessment. Section 10 "Accidents Or Malfunctions" of the dAIR will identify potential accidents, malfunctions and unplanned events. In addition, Section 12.2 mentions that the topic of Emergency Response will be dealt by the Environmental Management Plans.  | dAIR.   | Satisfied                |
| 11.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 2.2.4 Off-site<br>Infrastructure                  | All of these risks are real and the environmental impacts are avoidable if an alternative route for the transmission line were chosen. This is possible, but New Gold has told us (and their information indicates) that B.C. Hydro will only allow them to access the provincial electricity grid at the substation south of Endako. B.C. Hydro will sell huge amounts of energy to New Gold for the operation of their proposed Blackwater Gold project. As such, B.C. Hydro needs to show some willingness for flexibility. | The proposed transmission line alignment was selected following an assessment of six alternatives that considered a variety of factors within four broad categories: Environmental and Social; Technical; Schedule; and Cost. Input from BC Hydro on the interconnection alternative costs, technical implications, and schedule were considered in the assessment of alternatives, and all six alternatives were considered to be viable by BC Hydro given the technical information available at the time of the alternatives assessment. The six alternatives varied when ranked according to the Environmental and Social; Technical; Schedule; and Cost categories. Following the alternatives assessment, an intensive stakeholder engagement program was initiated to refine the alignment, as described in the response to Comment ID #6. |   | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of Comment  | dAIR<br>Version<br>Reference                        | Comment   | Proponent Response  | Action dAIR                                       | BC EAO<br>Comment/Status |
|-----------------|-----------------------|---|---|---|---|---|--------------------------|
| 12.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 2.2.4 Off-site Infrastructure               | following a right-of-way which appears to run roughly parallel to and 3   | engagement program was initiated to refine the alignment, as described in the response to Comment ID #6.  | Version G: No action required to update the dAIR. | Satisfied                |
| 13.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 7.2.3 Regional and Community Infrastructure | In January 1997, the provincial government approved the Vanderhoof Land and Resource Management Plan. The LRMP designated the territory being crossed by the proposed power line as the Upper Nechako River Resource Management Zone (RMZ), providing for the maintenance of the fisheries, wildlife, scenic views and cultural values of the Nechako River corridor. The Recreation and Tourism Interests section lists the Objective: maintain visual quality along the Kenney Dam Road and the Nechako River. Further; the Strategy to achieve this objective is:  • Manage the Kenney Dam Road as a visually sensitive area  • Manage the Nechako River as a scenic area Multiple power line right-of-ways across the river and over the Kenney Dam Road do not achieve the LRMP's Intent, Interest, Objective or Strategy for the Upper Nechako River RMZ. | define the study areas and will be considered in the effects assessment of non-traditional land use. Management objectives of LRMPs will also be described in Section 2.7 Proposed Project Land Use.  | Version G: No action required to update the dAIR. | Satisfied                |
| 14.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 2.2.4 Off-site<br>Infrastructure            | A logical solution to this very unwise choice of right-of-way is to use the existing three-pole / timber structures to deliver power to a junction point in the vicinity of Plateau Mills near Engen. From there it should be easy and less expensive to construct the new power line   | vicinity of Plateau Mills near Engen was included in the alternatives   | Version G: No action required to update the dAIR. | Satisfied                |
| 15.             | F<br>(September 2013) | Denis and June Wood -<br>Vanderhoof, BC<br>November 5, 2013<br>Letter | Section 2.2.4 Off-site Infrastructure               | <ol> <li>Eliminate the need to clear and provide access to what looks like</li> <li>kms. of right-of-way through logged and replanted cut-blocks or wilderness land.</li> <li>Save the need for supplying and installing power poles for about 50 kms. by using the existing secondary power line structures which run</li> </ol>   | Section 2.5 of the Application will present the assessment of alternatives including the transmission line. Further, Section 2.2 addresses changes made to the project that take into account feedback received on different project components, including the transmission line. | dAIR.   | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of<br>Comment                                   | dAIR<br>Version<br>Reference           | Comment  | Proponent Response   | Action dAIR                                       | BC EAO<br>Comment/Status |
|-----------------|-----------------------|---|--|--|--|---|--------------------------|
|                 |                       |   |  | project. 6. Preserve a large amount of wilderness land for future generation. 7. Preserve wildlife habitat. 8. Place all power line crossings of the Nechako River together, minimizing the visual impact of multiple crossings of power lines, religious and Lineburg 14.   |  |   |                          |
| 16.             | F<br>(September 2013) |   | Section 2 Proposed<br>Project Overview |  | consumption is currently being estimated as part of the project's feasibility study and this information will be presented in Section 2.2 of the Application. Energy will be provided under the standard rates for transmission voltage customer and information on rates is available in the BC Hydro and Power Authority Electric Tariff document effective April 1, 2008.  2. There are a variety of issues relating back to the Technical, Environmental and Social, Schedule and Costs factors described earlier that must be considered, however the fact that an alternative that joins the BC Hydro grid in the vicinity of Plateau Mills near Engen was included in the alternatives assessment and ranked below the selected alternative remains. This in itself eliminates the need to evaluate further | Version G: No action required to update the dAIR. | Satisfied                |
| 17.             | F<br>(September 2013) | Personal Information Withheld - Prince George, BC  November 1, 2013 |  | Having reviewed the AIR as proposed by New Gold Inc., I am comfortable that the company has carefully considered all aspects of the proposed mine and its potential impacts on the environmental, economic, social, heritage and health factors. I recognize the AIR is not the finalization of the EA process, but rather its beginning and I am personally and professionally comfortable that the subject areas of study as proposed in the AIR will enable a thorough and exhaustive review of the Blackwater Gold Project.  New Gold Inc. has demonstrated in its other mining operations in British Columbia and elsewhere in the world, that it takes its corporate responsibility to the environment, health and social wellbeing very seriously. I have every confidence that the Blackwater project will be managed in a manner that is absolutely consistent with their existing standards, and New Gold's desire to ensure that all operations are developed, run and eventually closed with world class standards that British Columbians can be proud of. I would like to commend New Gold Inc. in their diligence in developing and proposing the AIR for the Environmental Assessment of the Blackwater Gold Project. Their commitment to ensure the Project is comprehensively studied will enable informed decision making for a project that can bring sustained and needed economic benefits to region that requires development without undue environmental or social consequence and/or impacts. | New Gold is committed to continuing its engagement with stakeholders regarding the Blackwater Gold Project.  | Version G: No action required to update the dAIR. | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version  | Author, Date & Type of<br>Comment   | dAIR<br>Version<br>Reference   | Comment   | Proponent Response   | Action dAIR  | BC EAO<br>Comment/Status |
|-----------------|-----------------------|---|--|---|--|--|--------------------------|
| 18.             | F<br>(September 2013) | Moose Lake Lodge, Moose<br>Lake, BC<br>November 8, 2013                   | Section<br>4.3.1Assessment<br>Boundaries   | environmental risks if the environmental issues are dealt with properly.  The majority of the economic benefits will be enjoyed by those person living and doing business 110 to 160 kilometres away from the actual mine, while those person living and doing business much closer to the mine will receive the most adverse impacts. We would like to see the 25 kilometre regional study area expanded to include Moose Lake because Moose Lake is the hub of our business that depends on all our tenures which are in the footprint of the Blackwater Gold.  | The Moose Lake Lodge is not located within the Local Study Area.  The Regional Study Area (RSA) is defined as a larger area (relative to the Local Study Area) and used to provide context for the assessment of potential project effects.  The effects assessment on non-traditional land use considers the Vanderhoof Land and Resource Management Plan and the Regional Study Area includes Moose Lake Lodge. The RSA for the Economic VCs of the dAIR assess the potential economic effects of the Project.  Details about spatial boundaries are provided in Section 4.3.1.1 of the dAIR — Spatial Boundaries. | Version G: Moose Lake Lodge will be added to the list of stakeholders in the preface of Version G of the dAIR. | Satisfied                |
| 19.             | F<br>(September 2013) | Regional District of Bulkley & Nechako - Burns Lake, BC  November 8, 2013 | Section 3.4 Public and<br>Agency Information<br>Distribution and<br>Consultation | 3   |  | Version G: No action required to update the dAIR.  | Satisfied                |
| 20.             | F<br>(September 2013) | District of Vanderhoof -<br>Vanderhoof, BC<br>November 7, 2013            | Section 3.4 Public and Agency Information Distribution and Consultation          | Please accept this letter as an official response, on behalf of the District of Vanderhoof, relative to the draft APPLICATION INFROMATION REQUIREMENTS (AIR) regarding the above mentioned.  In 2013, New Gold Inc. Contracted Context Research Ltd. To prepare and launch a PUBLIC & STAKEHOLDER CONSULTATION PLAN. This document is readily available to all affected parties and clearly articulates the five pillars of the Environmental Assessment (EA) process and the subsequent valued components of each pillar. It also clearly defines the process relative to Application Information Requirement (AIR) pre and post public consultation. In addition, New Gold Inc. Is committed to alignment with ISO 26000 (guidance of social responsibility) and Mining Association of Canada's sustainable mining best practices.  In terms of the five pillars of the EA process, considerable time and effort has been dedicated to education the public in terms of Social, Economic, Heritage, and Health assessments. Several meeting were held throughout our community as well as surrounding jurisdictions affected by this application. During these community and public discussion, New Gold Inc. provided ample evidence of proposed mitigation practices and is committed to monitor residual effects of the Blackwater Gold project. Context Research Ltd. And New Gold Inc. Provided detailed studies relative to meeting and, in some cases, exceeding AIR requirements as part of the EA process. Examples include an HR strategy for staff capital / recruitment, a collaborative approach with Dr. Shandro (UVIC) to address social implications of |  | Version G: No action required to update the dAIR.  | Satisfied                |



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| Comment<br>ID # | Draft<br>AIR Version | Author, Date & Type of<br>Comment | dAIR<br>Version<br>Reference | Comment  | Proponent Response | Action dAIR | BC EAO<br>Comment/Status |
|-----------------|----------------------|-----------------------------------|------------------------------|--|--------------------|-------------|--------------------------|
|                 |                      |                                   |                              | resource extraction, and hosting 'community leader's forums' addressing First Nations opportunities and regional economic development initiatives.  The District of Vanderhoof strongly encourages the Environmental Assessment Office to approve the AIR requirements and move toward the 'application review stage' of the EA process. |                    |             |                          |



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