

PERMIT TO ALTER A BODY OF WATER

Pursuant to the *Water Resources Act*, SNL 2002 cW-4.01, specifically Section(s) 48

Date: **DECEMBER 08, 2021**

File No: **525**
Permit No: **ALT12230-2021**

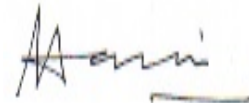
Permit Holder: **Pennecon Heavy Civil Limited**
1309 Topsail Road
PO Box 8274 'Station A'
St. John's NL A1B 3N4
rod.mercer@newcrete.ca

Attention: **Roderick Mercer**

Re: **Pennecon Heavy Civil Ltd. - ABL Tailings Dam #1 - Rehabilitation and Closure**

Permission is hereby given for : **Transport of tailings from the ABL tailing pond for placement in the Buchans TP1 tailing pond, removal of the ABL Tailings Dam #1 and reestablishment of natural drainage as detailed in the application received on November 18, 2021 and additional information provided on November 19, 2021, November 25, 2021, November 30, 2021 and December 1, 2021.**

- This Permit does not release the Permit Holder from the obligation to obtain appropriate approvals from other concerned municipal, provincial and federal agencies.
- The Permit Holder must obtain the approval of the Crown Lands Administration Division if the project is being carried out on Crown Land.
- This Permit is subject to the terms and conditions indicated in Appendices A and B (attached).
- It should be noted that prior to any significant changes in the design or installation of the proposed works, or in event of changes in ownership or management of the project, an amendment to this Permit must be obtained from the Department of Environment and Climate Change under Section 49 of the *Water Resources Act*.



(for) MINISTER

APPENDIX A
Terms and Conditions for Permit

Dam Construction

1. The dam and appurtenant structures are located at the following coordinates:

Name	Latitude	Longitude
ABL Tailings Dam #1	48° 49' 4.79" N	56° 51' 46.11" W

2. No excavation or other works shall be conducted within 5 metres upstream and downstream of the toe of Buchans Dam #1. This would include any ditching as a result of the grading.
3. All heavy equipment works must be supervised by the proponent to ensure the integrity of Buchans Dam #1.
4. Heavy vehicles used in tailings transport shall not travel on the Buchans Dam #1 except at the location of the bedrock outcrop located at the south abutment of the ABL Tailings Dam #1 as indicated in Appendix D. Trucks must cross the Buchans Dam #1 as close to 90 degrees as possible. There must be no turning of the trucks on the Buchans Dam #1. Continuous monitoring of the transport route when in use must be established by the proponent. This monitoring shall include monitoring for surface erosion, depressions, deformations, seepage, stability issues or any other indicators of potential failure modes that would indicate an issue with Buchans Dam #1. If an issue is identified, the work must be stopped and the issue rectified immediately.
5. When the transport of tailings is complete, the area must be remediated back to the original condition as per the specifications provided by the Department of Industry, Energy and Technology. The remediation/repairs to Buchans Dam #1 must be verified by a stamped engineering report that includes as-built drawings.
6. Should degradation of the rip rap on the upstream side of Buchans Dam #1 occur, the addition of riprap (700 mm) may be required by this Department. Existing riprap must not be removed.
7. The reservoir must be de-watered prior to the excavation of tailing materials.
8. ABL Tailings Dam #1 shall be breached in such a manner that it can no longer retain water or tailings, and therefore, shall no longer meet the definition of a dam.
9. The transportation of labour and materials to the site must be along existing access roads.

General Alterations

10. The use of heavy equipment in streams or bodies of water is not permitted. The operation of heavy equipment must be confined to dry stable areas.
11. All vehicles and equipment must be clean and in good repair, free of mud and oil, or other harmful substances that could impair water quality.

12. Any areas adversely affected by this project must be restored to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if considered necessary in the opinion of this Department.
13. All operations must be carried out in a manner that prevents damage to land, vegetation, and watercourses, and which prevents pollution of bodies of water.
14. Water pumped from excavations or work areas, or any runoff or effluent directed out of work sites, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to a body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.
15. All waste materials resulting from this project must be disposed of at a site approved by the Department of Digital Government and Service NL.
16. The owners of structures are responsible for any environmental damage resulting from dislodgement caused by wind, wave, ice action, or structural failure.
17. Sediment and erosion control measures must be installed before starting work. All control measures must be inspected regularly and any necessary repairs made if damage is discovered.
18. Fill material must be obtained from an approved quarry site. It must not be taken from beaches or streams, and must not be dredged from a body of water.
19. The Department reserves the right to require that the Permit Holder follow, and cover all costs incurred by the Permit Holder or this department, associated with any water quality monitoring program that may be ordered by the Minister for the purpose of ensuring that water quality is maintained within acceptable guidelines.
20. The attached Completion Report (Appendix C) for Permit No. 12230 must be completed and returned to this Department upon completion of the approved works. Pictures must be submitted along with the completion report, showing the project site prior to and after development.
21. This Permit is valid for two years from the date of issue. Work must be completed by that date or the application and approval procedure must be repeated.
22. The location of the work is highlighted on the Location Map for this Permit attached as Appendix D.

Special Conditions

23. A minimum water cover of 0.5 metres must be maintained at TP1 when depositing tailings.
24. Prior to the breach of ABL Tailings Dam #1, engineered drawings of the proposed contoured ground level must be submitted and approved by this Department.
25. The re-contoured area must be revegetated to encourage natural regrowth.

APPENDIX B
Special Terms and Conditions for Permit

1. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall keep all systems and works in good condition and repair and in accordance with all laws, by-laws, directions, rules and regulations of any governmental authority. The Permit Holder or its agent(s), subcontractor(s), or consultant(s) shall immediately notify the Minister if any problem arises which may threaten the structural stability of the systems and works, endanger public safety and/or the environment or adversely affect others and/or any body of water either in or outside the said Project areas. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall be responsible for all damages suffered by the Minister and Government resulting from any defect in the systems and works, operational deficiencies/inadequacies, or structural failure.
2. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall operate the said Project and its systems and works in a manner which does not cause any water related and/or environmental problems, including but not limited to problems of erosion, deposition, flooding, and deterioration of water quality and groundwater depletion, in or outside the said Project areas. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall be responsible for any and all damages associated with these problems caused as a result of changes, deficiencies, and inadequacies in the operational procedures by the Permit Holder or its agent(s), subcontractor(s), or consultant(s).
3. If the Permit Holder or its agent(s), subcontractor(s), or consultant(s) fails to perform, fulfil, or observe any of the terms and conditions, or provisions of this Permit, as determined by this Department, the Minister may, without notice, amend, modify, suspend or cancel this Permit in accordance with the *Water Resources Act*.
4. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) indemnify and hold the Minister and Government harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from granting this Permit, systems and works in or outside the said Project areas, or any act or omission of the Permit Holder or its agent(s), subcontractor(s), or consultant(s) in or outside the said Project areas, or arising out of a breach or non-performance of any of the terms and conditions, or provisions of this Permit by the Permit Holder or its agent(s), subcontractor(s), or consultant(s).
5. This Permit is subject to all provisions of the *Water Resources Act* and any regulations in effect either at the date of this Permit or hereafter made pursuant thereto or any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.
6. This Permit shall be construed and interpreted in accordance with the laws of the Province of Newfoundland and Labrador.

- cc: Ms. Paula Dawe, P.Eng.
Manager, Drinking Water and Wastewater Section
Water Resources Management Division
Department of Environment and Climate Change
P.O. Box 8700
4th Floor, West Block, Confederation Building
St. John's, NL A1B 4J6
pauladawe@gov.nl.ca
- cc: Darren Pittman
Mineral Development Engineer, Mines - Mineral Development
DarrenPittman@gov.nl.ca
- cc: Mr. Paul Philpott
Mineral Development Engineer
Engineering Analysis Section, Mineral Development Division
Department of Natural Resources
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paulphilpott@gov.nl.ca
- cc: Amir Ali Khan, Ph.D., P.Eng.
Manager, Water Rights, Investigations and Modelling Section
Water Resources Management Division
Department of Environment and Climate Change
P.O. Box 8700
4th Floor, West Block, Confederation Building
St. John's, NL A1B 4J6
akhan@gov.nl.ca



Appendix C - Completion Report

Pursuant to the *Water Resources Act*, SNL 2002 cW-4.01, specifically Section(s) 48

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Attention: **Roderick Mercer**

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I (the Permit Holder named above or agent authorized to represent the Permit Holder) do hereby certify that the project described above was completed in accordance with the plans and specifications submitted to the Department of Environment and Climate Change and that the work was carried out in strict compliance with the terms and conditions of the Permit issued for this project.

Date: _____ Signature: _____

This completion report must be completed and forwarded to the following address upon completion of the approved work.

Department of Environment and Climate Change
Water Resources Management Division
PO Box 8700
St. John's NL A1B 4J6

APPENDIX D
Location Map for Permit

