

**In the matter of the
ENVIRONMENTAL ASSESSMENT ACT
S.B.C. 2002, c. 43
(Act)**

and

**in the matter of an
Application
for an
Environmental Assessment Certificate
(Application)**

by

**HD Mining International Ltd.
(Proponent)**

for the

Murray River Coal Project

ENVIRONMENTAL ASSESSMENT CERTIFICATE # M15-03

Whereas:

- A. The Proponent proposes to construct and operate the project described in Schedule A to this certificate (the "Project");
- B. On June 29, 2012, a Project Lead of the Environmental Assessment Office issued an Order under section 10(1)(c) of the Act stating that an environmental assessment certificate was required for the Project and that the Proponent could not proceed with the Project in the absence of an assessment;
- C. The assessment of the Application was conducted from December 3, 2014 to August 18, 2015, and included consultations with First Nations and the public respecting the Application;
- D. On August 18, 2015, pursuant to section 17 of the Act the Executive Director referred the Application, the Assessment Report and his recommendations to the undersigned;
- E. The undersigned have considered the Application, Environmental Assessment Office's Assessment Report, Technical Report, and First Nations Consultation Report, the draft Environmental Assessment Certificate including the draft Certified Project Description and draft Table of Conditions, the Recommendations of the Executive Director, the separate submission provided by McLeod Lake Indian Band, Sauteau First Nations and West Moberly First Nations, and the Proponent's response to the submission; and
- F. Compliance with this Certificate, including its conditions, will be monitored by the staff of the Environmental Assessment Office, partner agencies and others who have been authorized to inspect under the Act.

Now Therefore,

We issue this Environmental Assessment Certificate to the Proponent for the Project as described in Schedule A, subject to the following conditions and the conditions set out in Schedule B.

Conditions

Definition:

“Holder” means the Proponent or, if this certificate has been transferred in accordance with section 3, the person to whom the certificate has been transferred in accordance with section 3.

Compliance Reporting

1. The Holder must submit a report to EAO Compliance and Enforcement staff on the status of compliance with the Conditions of this Certificate, and the conditions in Schedule B, at the following times:
 - a. At least 30 days prior to the start of construction;
 - b. On or before January 31 in each year during which the Project is being constructed;
 - c. At least 30 days prior to the start of operations;
 - d. On or before January 31 in each year during which the Project is being operated;
 - e. At least 90 days prior to the start of closure; and
 - f. Within 30 days of completing closure.

EAO may adjust or extend this reporting requirement by providing written notice to the Holder.

2. The Holder must notify EAO Compliance and Enforcement staff, in writing, three months prior to commencing the construction, operations, and decommissioning phases of the Project.
3. The Holder must provide any document or information requested by EAO, Ministry of Forests, Lands and Natural Resource Operations, Ministry of Environment and Ministry of Energy and Mines for the purposes of compliance inspection and verification.
4. Should the primary contact for the Project change, the Holder must notify EAO Compliance and Enforcement staff, in writing, within 30 days and provide the physical address, email address and phone number(s).

Transfer of Certificate

5. (1) Except as provided below, neither this Certificate nor any interest in it may be transferred to any person.
 - (2) This Certificate will be effectively transferred if the proposed Holder acknowledges that, upon transfer, it will be responsible for complying with the conditions of the certificate, and both the proposed Holder and the Holder
 - a. obtain consent for the transfer from the Executive Director,
 - b. apply under section 19 of the Act for such amendments to this Certificate, if any, as the Executive Director deems necessary to ensure compliance with and enforceability of this Certificate and to otherwise reflect the proposed transfer, and
 - c. confirm by written notice to the Executive Director, within 14 days of the completion of all aspects of the transfer transaction other than this notice, that the transfer has been completed.
- (3) An interest in this Certificate may be transferred by way of a grant of security to lenders or financiers without consent.

- (4) A transfer to a trustee in bankruptcy, by a receiver or a trustee in bankruptcy pursuant to a court approved sale or as part of a court approved arrangement under the *Company Creditors Arrangement Act* may occur without consent.
- (5) If this Certificate is transferred without consent, the new and former Holder must notify the Executive Director within 30 days of the transfer and apply within the time specified by the Executive Director for any amendments to this Certificate that the Executive Director deems necessary to ensure compliance with and enforceability of this Certificate and to otherwise reflect the proposed transfer.

Transfer of Interest in Project

6. (1) Except in connection with the granting of security to Project lenders or financiers, prior to the Holder transferring a significant interest in the Project, the Holder and proposed transferee must:
 - a. obtain consent for the transfer from the Executive Director, and
 - b. apply under section 19 of the Act for such amendments to this Certificate, if any, as the Executive Director deems necessary to ensure compliance with and enforceability of this Certificate and to otherwise reflect the proposed transfer.
- (2) A transfer to a trustee in bankruptcy, by a receiver or a trustee in bankruptcy pursuant to a court approved sale or as part of a court approved arrangement under the *Company Creditors Arrangement Act* may occur without consent.
- (3) If a significant interest in the Project is transferred without consent, the Holder must notify the Executive Director within 30 days of the transfer and apply within the time specified by the Executive Director for any amendments to this Certificate that the Executive Director deems necessary to ensure compliance with and enforceability of this Certificate and to otherwise reflect the proposed transfer.

Changes to Schedule A under Section 19 (5) and (6) of the Act

7. (1) The Holder may submit a written request to the Executive Director seeking a determination by the Executive Director that one or more proposed changes to the Project activities, components and/or locations described in Schedule A (Project Activities) are not material in nature.
- (2) In determining whether any changes to the Project activities proposed by the Holder are not material in nature, the Executive Director may consider, among other things:
 - a. if the change request concerns the location of Project components, the proximity of the proposed location to the location referenced in Schedule A;
 - b. the purpose of the proposed changes to Project activities described in the change request;
 - c. whether the proposed activities were considered in any regulatory or approval process that concluded after the date of this Certificate;
 - d. whether or to what extent the proposed activities or similar activities were considered in the Application and assessment;
 - e. whether, after any consultation with Aboriginal Groups undertaken by the Holder or any further such consultation directed or undertaken by the Executive Director, the proposed activities may adversely affect Aboriginal Interests that were not (i) considered in the Application and assessment, or (ii) considered in any regulatory or approval processes that concluded after the date of this Certificate; and
 - f. whether and to what extent the conditions in this Certificate constitute practical means of preventing or reducing any potential adverse effects that will, or are reasonably likely to, result from the proposed activities.

- (3) If the Executive Director determines that the proposed changes to the Project activities are not material in nature, then the Executive Director may make a decision regarding an amendment of Schedule A pursuant to Section 19(3) of the Act.
- (4) If the Executive Director determines that the proposed changes to the Project activities are material in nature, then the Holder must apply to the Executive Director to amend Schedule A pursuant to Section 19(1) of the Act.

Duration of Certificate

8. For the purpose of section 18(1) of the Act, the deadline is 5 years from the date set out below.



Honourable Mary Polak
Minister of Environment



Honourable Bill Bennett
Minister of Energy and Mines

Issued this 1st day of October, 2015