

**Decision Statement**  
**Issued under Section 54 of the *Canadian Environmental Assessment Act, 2012***

to  
Prodigy Gold Incorporated  
c/o Kyle Stanfield, Director Environment and Community Relations

3 Dree Road, Box 209  
Dubreuilville, ONTARIO  
POS 1B0

for the  
**Magino Gold Project**

**Description of the Designated Project**

Prodigy Gold Incorporated, a wholly-owned subsidiary of Argonaut Gold Incorporated, is proposing the construction, operation, decommissioning and abandonment of an open-pit gold mine and metal mill located 14 kilometres south-east of Dubreuilville, Ontario. Mining would occur over 10 years with an ore production capacity of 45 200 tonnes per day. The on-site metal mill would have an ore input capacity of 35 000 tonnes per day and would operate for approximately 12 to 15 years.

**Conduct of the environmental assessment**

The Canadian Environmental Assessment Agency (the Agency) conducted an environmental assessment of the Designated Project in accordance with the requirements of the *Canadian Environmental Assessment Act, 2012*. The Agency commenced the environmental assessment on September 3, 2013, and submitted its report to me in my capacity as Minister of Environment and Climate Change.

**Decision on environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012***

In accordance with paragraph 52(1)(a) of the *Canadian Environmental Assessment Act, 2012*, after considering the report of the Agency on the Designated Project and the implementation of mitigation measures that I consider appropriate, I have determined that the Designated Project is not likely to cause significant adverse environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*.

In accordance with subsection 53(1) of the *Canadian Environmental Assessment Act, 2012*, I have established the conditions below in relation to the environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*, with which the Proponent must comply.

## **Decision on environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012***

The carrying out of the Designated Project may require the following federal authorities to exercise a power or perform a duty or function conferred on them under an Act of Parliament other than the *Canadian Environmental Assessment Act, 2012*:

- The Minister of Fisheries and Oceans may issue authorization(s) under paragraph 35(2)(b) of the *Fisheries Act*;
- The Minister of Environment and Climate Change may propose an amendment under Schedule 2 of the *Metal and Diamond Mining Effluent Regulations*;
- The Minister of Transport may issue an exemption by order under section 24 of the *Navigation Protection Act*; and
- The Minister of Natural Resources may issue a licence under subsection 7(1) of the *Explosives Act*.

In accordance with paragraph 52(1)(b) of the *Canadian Environmental Assessment Act, 2012*, after considering the report of the Agency on the Designated Project and the implementation of mitigation measures that I consider appropriate, I have determined that the Designated Project is not likely to cause significant adverse environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*.

In accordance with subsection 53(2) of the *Canadian Environmental Assessment Act, 2012*, I have established the conditions below in relation to the environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*, with which the Proponent must comply.

### **Consultation with Indigenous groups**

In establishing the conditions below in relation to the environmental effects referred to in subsections 5(1) and 5(2) of the *Canadian Environmental Assessment Act, 2012*, I took into account the concerns and interests identified in the consultation process with Indigenous groups. I also considered the measures to address these concerns and interests that have been identified in the environmental assessment and consultation processes. I am satisfied that the consultation process undertaken is consistent with the honour of the Crown and, with the conditions I have established, that the concerns and interests of Indigenous groups are appropriately accommodated for the purpose of issuing this Decision Statement.

#### **1 Definitions**

- 1.1 *Agency* means the Canadian Environmental Assessment Agency.
- 1.2 *Baseline* means the environmental conditions prior to initiating construction of the Designated Project as described in the Environmental Impact Statement.
- 1.3 *Construction* means the phase of the Designated Project during which the Proponent undertakes the site preparation, building or installation of any components of the Designated Project, including periods during which these activities may temporarily cease.
- 1.4 *Contact water* means water which has come into contact with any mine site components.

- 1.5 *Days* means calendar days.
- 1.6 *Decommissioning* means the phase of the Designated Project during which the Proponent permanently ceases commercial production and commences removal from service of any components of the Designated Project, and that continues until the Proponent completes the reclamation of the site of the Designated Project and the open-pit lake is connected with Goudreau Lake.
- 1.7 *Designated Project* means the Magino Gold Project as described in section 2 of the environmental assessment report prepared by the Canadian Environmental Assessment Agency (Canadian Environmental Assessment Registry Reference Number 80044).
- 1.8 *Effluent* means “effluent” as defined in subsection 1(1) of the *Metal and Diamond Mining Effluent Regulations*.
- 1.9 *Environment and Climate Change Canada* means the Department of the Environment as established under subsection 2(1) of the *Department of the Environment Act*.
- 1.10 *Environmental assessment* means “environmental assessment” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.11 *Environmental effects* means “environmental effects” as described in section 5 of the *Canadian Environmental Assessment Act, 2012*.
- 1.12 *Environmental Impact Statement* means the June 2017 document entitled *Environmental Impact Statement* (Canadian Environmental Assessment Registry Reference Number 80044, Document Number 19).
- 1.13 *Fish* means “fish” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.14 *Fish habitat* means “fish habitat” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.15 *Fisheries and Oceans Canada* means the Department of Fisheries and Oceans as established under subsection 2(1) of the *Department of Fisheries and Oceans Act*.
- 1.16 *Follow-up program* means “follow-up program” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.17 *Heritage value* means the aesthetic, historic, scientific, cultural, social or spiritual importance or significance for past, present or future generations.
- 1.18 *Indigenous groups* means the following Aboriginal Peoples: Batchewana First Nation, Garden River First Nation, the Métis Nation of Ontario, Michipicoten First Nation, Missanabie Cree First Nation and the Red Sky Métis Independent Nation.
- 1.19 *Listed species at risk* means a species that is listed on the List of Wildlife Species at Risk set out in Schedule 1 of the *Species at Risk Act*.

- 1.20 *Migratory bird* means “migratory bird” as defined in subsection 2(1) of the *Migratory Birds Convention Act, 1994*.
- 1.21 *Mitigation measures* means “mitigation measures” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.22 *Offsetting plan* means “offsetting plan” as defined in section 1 of the Applications for Authorization under paragraph 35(2)(b) of the *Fisheries Act Regulations* and “compensation plan” as described in subsection 27.1 of the *Metal and Diamond Mining Effluent Regulations*.
- 1.23 *Operation* means the phase of the Designated Project during which the commercial production takes place, including periods during which commercial production may temporarily cease, and which continues until the start of decommissioning.
- 1.24 *Progressive reclamation* means reclamation which is carried out by the Proponent concurrently with all phases of the Designated Project to progressively return any physically disturbed areas to a state as close to the baseline as possible, as soon after the disturbance as practical.
- 1.25 *Project study area* means the area labelled “project study area” by the Proponent on figure 4-9 of the Environmental Impact Statement.
- 1.26 *Proponent* means Prodigy Gold Incorporated and its successors or assignees.
- 1.27 *Qualified individual* means someone who, through education, experience and knowledge relevant to a particular matter, may be relied on by the Proponent to provide advice within his or her area of expertise. Knowledge relevant to a particular matter may include community and Indigenous traditional knowledge.
- 1.28 *Record* means “record” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.29 *Relevant authorities* means federal and/or provincial authorities that are in possession of specialist or expert information or knowledge, or that have a responsibility for the administration of a law or regulation, with respect to the subject matter of a condition set out in this Decision Statement.
- 1.30 *Reporting year* means January 1 of a calendar year through December 31 of the same calendar year.
- 1.31 *Serious harm* means “serious harm” as defined in subsection 2(2) of the *Fisheries Act*.
- 1.32 *Structure, site or thing of historical, archeological, paleontological or architectural significance* means a structure, site or thing that is determined by a qualified individual, on the basis of heritage value, to be associated with an aspect of the history or culture of the people of Canada, including Indigenous groups.
- 1.33 *Wetland* means land saturated with water long enough to promote formation of water altered soils, growth of water-tolerant vegetation and various kinds of biological activity that is adapted to the wet environment.

## **Conditions**

These conditions are established for the sole purpose of the Decision Statement issued under the *Canadian Environmental Assessment Act, 2012*. They do not relieve the Proponent from any obligation to comply with other legislative or other legal requirements of the federal, provincial, or local governments. Nothing in this Decision Statement shall be construed as reducing, increasing, or otherwise affecting what may be required of the Proponent to comply with all applicable legislative or legal requirements.

### **2 General conditions**

- 2.1 The Proponent shall ensure that its actions in meeting the conditions set out in this Decision Statement during all phases of the Designated Project are considered in a careful and precautionary manner, promote sustainable development, are informed by the best information and knowledge available at the time the Proponent takes action, including community and Indigenous traditional knowledge, are based on methods and models that are recognized by standard-setting bodies, are undertaken by qualified individuals, and have applied the best available economically and technically feasible technologies.

### ***Consultation***

- 2.2 The Proponent shall, where consultation is a requirement of a condition set out in this Decision Statement:
  - 2.2.1 provide a written notice of the opportunity for the party or parties being consulted to present their views and information on the subject of the consultation;
  - 2.2.2 provide all information available and relevant on the scope and the subject matter of the consultation and a period of time taking into account the views of the party or parties being consulted, not to be less than 15 days, to prepare their views and information;
  - 2.2.3 undertake an impartial consideration of all views and information presented by the party or parties being consulted on the subject matter of the consultation; and
  - 2.2.4 advise in a timely manner the party or parties being consulted on how the views and information received have been considered by the Proponent.
- 2.3 The Proponent shall, where consultation with Indigenous groups is a requirement of a condition set out in this Decision Statement, communicate with each Indigenous group with respect to the manner to satisfy the consultation requirements referred to in condition 2.2, including methods of notification, the type of information and the period of time to be provided when seeking input, the process to be used by the Proponent to undertake impartial consideration of all views and information presented on the subject of the consultation, and the period of time and the means to advise Indigenous groups of how their views and information were considered by the Proponent.

### ***Follow-up and adaptive management***

- 2.4 The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement, determine, as part of the development of each follow-up program and in

consultation with the party or parties being consulted during the development, the following information:

- 2.4.1 the methodology, location, frequency, timing and duration of monitoring associated with the follow-up program;
  - 2.4.2 the scope, content and frequency of reporting of the results of the follow-up program;
  - 2.4.3 the levels of environmental change relative to baseline conditions that would require the Proponent to implement modified or additional mitigation measure(s), including instances where the Proponent may require Designated Project activities to be stopped; and
  - 2.4.4 the technically and economically feasible mitigation measures to be implemented by the Proponent if monitoring conducted as part of the follow-up program shows that the levels of environmental change referred to in condition 2.4.3 have been reached or exceeded and the timing for implementing the modified or additional mitigation measures.
- 2.5 The Proponent shall maintain the information referred to in condition 2.4 during the implementation of each follow-up program in consultation with the party or parties being consulted during the development of each follow-up program.
- 2.6 The Proponent shall provide the follow-up programs referred to in conditions 3.16, 3.17, 3.18, 3.19, 4.4, 4.5, 5.3, 5.4, 6.5, 6.6, 7.2 and 7.3 to the Agency and to the party or parties being consulted during the development of each follow-up program prior to the implementation of each follow-up program. The Proponent shall also provide any update(s) to the Agency and to the party or parties being consulted during the development of each follow-up program within 30 days of the follow-up program being updated.
- 2.7 The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement and in consultation with the party or parties being consulted during the development of the follow-up program:
- 2.7.1 conduct the follow-up program according to the information determined pursuant to condition 2.4;
  - 2.7.2 undertake monitoring and analysis to verify the accuracy of the environmental assessment as it pertains to the particular condition and/or to determine the effectiveness of any mitigation measure(s);
  - 2.7.3 determine whether modified or additional mitigation measures are required based on the monitoring and analysis undertaken pursuant to condition 2.7.2; and
  - 2.7.4 if modified or additional mitigation measures are required pursuant to condition 2.7.3, develop and implement these mitigation measures in a timely manner and monitor them pursuant to condition 2.7.2.
- 2.8 Where consultation with Indigenous groups is a requirement of a follow-up program, the Proponent shall discuss with each Indigenous group opportunities for their participation in the development and implementation of the follow-up program, including the analysis of the follow-up results and whether modified or additional mitigation measures are required, as set out in condition 2.7.

### ***Annual reporting***

- 2.9 The Proponent shall, commencing in the reporting year during which the Proponent begins the implementation of the conditions set out in this Decision Statement, prepare an annual report that sets out:
- 2.9.1 the activities undertaken by the Proponent in the reporting year to comply with each of the conditions set out in this Decision Statement;
  - 2.9.2 how the Proponent complied with condition 2.1;
  - 2.9.3 for conditions set out in this Decision Statement for which consultation is a requirement, how the Proponent considered any views and information that the Proponent received during or as a result of the consultation;
  - 2.9.4 the information referred to in conditions 2.4 and 2.5 for each follow-up program;
  - 2.9.5 the results of the follow-up program requirements identified in conditions 3.16, 3.17, 3.18, 3.19, 4.4, 4.5, 5.3, 5.4, 6.5, 6.6, 7.2 and 7.3;
  - 2.9.6 any modified or additional mitigation measures implemented or proposed to be implemented by the Proponent, as determined under condition 2.7;
  - 2.9.7 any change(s) to the Designated Project in the reporting year for which the Proponent determined that condition 2.14 did not apply.
- 2.10 The Proponent shall submit to the Agency the annual report referred to in condition 2.9, including a plain language executive summary in both official languages, no later than March 31 following the reporting year to which the annual report applies.

### ***Information sharing***

- 2.11 The Proponent shall publish on the Internet, or any medium which is publicly available, the annual reports and the executive summaries referred to in conditions 2.9 and 2.10, the offsetting plan(s) referred to in condition 3.14, the reports related to accidents and malfunctions referred to in conditions 8.4.2 and 8.4.3, the communication plans referred to in conditions 6.1 and 8.5, the schedules referred to in conditions 9.1, and 9.2, and any update(s) or revision(s) to the above documents, upon submission of these documents to the parties referenced in the respective conditions. The Proponent shall keep these documents publicly available for 25 years following the end of operation, or until the end of decommissioning of the Designated Project, whichever comes first. The Proponent shall notify the Agency and Indigenous groups of the availability of these documents within 48 hours of their publication.
- 2.12 When the development of a plan is a requirement of a condition set out in this Decision Statement, the Proponent shall submit the plan to the Agency prior to construction, unless otherwise required through the condition.

### ***Change of Proponent***

- 2.13 The Proponent shall notify the Agency and Indigenous groups in writing no later than 30 days after the day on which there is a transfer of ownership, care, control or management of the Designated Project in whole or in part.

### ***Change to the Designated Project***

- 2.14 The Proponent shall consult with Indigenous groups, Pic Mobert First Nation and relevant authorities prior to initiating any changes to the Designated Project that may result in adverse environmental effects, and shall notify the Agency in writing no later than 60 days prior to initiating the change(s).
- 2.15 In notifying the Agency pursuant to condition 2.14, the Proponent shall provide the Agency with a description of the potential adverse environmental effects of the change(s) to the Designated Project, the proposed mitigation measures and follow-up requirements to be implemented by the Proponent and the results of the consultation with Indigenous groups, Pic Mobert First Nation and relevant authorities.

### **3 Fish and fish habitat**

- 3.1 The Proponent shall develop, prior to construction, and implement, during all phases of the Designated Project, measures to control erosion and sedimentation within the project study area. The Proponent shall submit these measures to the Agency before implementing them. Among other measures, the Proponent shall:
  - 3.1.1 use ditches and diversion berms to maintain stream bank stability; and
  - 3.1.2 use physical barriers to reduce runoff from disturbed areas.
- 3.2 The Proponent shall comply with the *Metal and Diamond Mining Effluent Regulations* and the pollution prevention provisions of the *Fisheries Act*.
- 3.3 The Proponent shall collect, during construction and operation, contact water for reuse in Designated Project activities, and treat excess contact water that cannot be reused.
- 3.4 The Proponent shall control the flow at which excess water referred to in condition 3.3 is discharged to limit disturbance of lake bed material.
- 3.5 The Proponent shall install, prior to operation, and use a cyanide destruction circuit during operation to reduce cyanide concentrations in tailings before the tailings are directed to the tailings management facility.
- 3.6 The Proponent shall, after the end of operation and until the open-pit lake is filled, collect and direct contact water to the open-pit lake.
- 3.7 The Proponent shall, prior to operation, implement seepage control measures at the tailings management facility and maintain these measures during operation and decommissioning.
- 3.8 The proponent shall not connect the open-pit lake until such time as water in the open-pit lake complies with the pollution prevention provisions of the *Fisheries Act*.
- 3.9 The Proponent shall treat water taking into account the Canadian Council of Ministers of the Environment's *Canadian Water Quality Guidelines for Protection of Aquatic Life*.



- 3.10 The Proponent shall develop, prior to the start of blasting activities in or near water and in consultation with Indigenous groups, and implement, during blasting activities in or near water, mitigation measures to avoid or prevent adverse effects to fish and fish habitat from the use of explosives in a manner consistent with the *Fisheries Act* and its regulations. When developing these measures, the Proponent shall take into account Fisheries and Oceans Canada's *Measures to avoid causing harm to fish and fish habitat including aquatic species at risk* as it pertains to the use of explosives in or near water. The Proponent shall submit these measures to the Agency before implementing them.
- 3.11 The Proponent shall conduct in-water construction activities during timing windows of least risk for the area, unless otherwise agreed to by relevant federal and provincial authorities. If in-water construction activities cannot be conducted during identified timing windows of least risk, the Proponent shall develop and implement additional mitigation measures, in consultation with Indigenous groups and Fisheries and Oceans Canada, to protect fish during sensitive life stages.
- 3.12 The Proponent shall salvage and relocate fish prior to conducting any Designated Project activity requiring removal of fish habitat in a manner consistent with any license issued under the *Fisheries Act* and its regulations. The Proponent shall salvage and relocate fish in consultation with Indigenous groups and to the satisfaction of Fisheries and Oceans Canada and other relevant authorities.
- 3.13 The Proponent shall design, install and operate the water intake structures in Goudreau Lake in a manner which reduces the incidental capture of fish by entrainment and impingement through the use of an appropriately sized fish screen, taking into account Fisheries and Oceans Canada's *Freshwater Intake End-of-Pipe Fish Screen Guideline* and in a manner consistent with the *Fisheries Act* and its regulations.
- 3.14 The Proponent shall develop, to the satisfaction of Fisheries and Oceans Canada and Environment and Climate Change Canada and in consultation with Indigenous groups, any offsetting plan(s) related to any residual serious harm to fish associated with the carrying out of the Designated Project. The Proponent shall implement the plan. The Proponent shall submit any approved offsetting plan(s) to the Agency prior to implementation.
- 3.15 The Proponent shall, for any fish habitat offsetting measure(s) proposed in any offsetting plan(s) referred to in condition 3.14 that may cause adverse environmental effects not considered in the environmental assessment, develop and implement, following consultation with Indigenous groups, Fisheries and Oceans Canada and Environment and Climate Change Canada, measures to mitigate those effects. The Proponent shall submit these measures to the Agency before implementing them.
- 3.16 The Proponent shall develop, prior to the start of blasting activities in or near water and in consultation with Indigenous groups and relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures as it pertains to the adverse environmental effects on fish and fish habitat, including spawning habitat, caused by blasting. The Proponent shall implement the follow-up program during blasting activities. As part of the implementation of the follow-up program, the Proponent shall:
- 3.16.1 monitor instantaneous pressure and particle velocity during the first blasting event;

- 3.16.2 if results of the monitoring referred to in condition 3.16.1 indicate an instantaneous pressure change greater than 100 kiloPascals in the swimbladder of fish or that blasting produces a peak particle velocity greater than 13 millimetre per second in a spawning bed, develop, prior to the next blasting event and in consultation with relevant authorities, modified or additional mitigation measures pursuant to condition 2.7 in order to protect fish and fish habitat, including spawning habitat; and
  - 3.16.3 implement the modified or additional mitigation measures referred to in condition 3.16.2 during all subsequent blasting events. The Proponent shall submit these measures to the Agency before implementing them.
- 3.17 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures for the salvage and relocation of fish and as it pertains to the incidental capture of fish by entrainment and impingement from the Designated Project. The Proponent shall implement the follow-up program during all phases of the Designated Project.
- 3.18 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of the mitigation measures as it pertains to adverse environmental effects on fish and fish habitat caused by changes in water and sediment quality in Otto Lake and Herman Lake. The Proponent shall implement the follow-up program during all phases of the Designated Project, including the environmental effects monitoring requirements set out in Schedule 5 of the *Metal and Diamond Mining Effluent Regulations*. As part of the implementation of the follow-up program, the Proponent shall:
- 3.18.1 monitor, at least quarterly, concentrations of total phosphorus, mercury, copper, silver, sulphate and ammonia in water during operation;
  - 3.18.2 monitor, at least annually, concentrations of copper, arsenic, cadmium, manganese, mercury and total phosphorus in sediments during operation;
  - 3.18.3 monitor fish health through fish tissue sampling and fish population studies. Monitoring shall include lower trophic level indicator species and shall include monitoring of fish abundance, fish population structure and other fish health metrics that shall be determined in consultation in Indigenous groups and relevant authorities. The Proponent shall conduct monitoring for one year prior to operation and at least twice a year for the first three years of operation and shall:
    - 3.18.3.1 if the results of monitoring during the first three years of operation demonstrate that no adverse environmental effects to fish and fish habitat from Designated Project activities are occurring, continue monitoring every three years after the first three years for a duration that shall be determined in consultation with Indigenous groups and relevant authorities; or
    - 3.18.3.2 if the results of monitoring during the first three years of operation demonstrate that adverse environmental effects to fish and fish habitat from Designated Project activities are occurring, determine, in consultation with Indigenous groups and relevant authorities, with what frequency and for what duration additional monitoring shall occur;

- 3.18.4 monitor nutrient levels, algae abundance, and dissolved oxygen levels. In doing so the Proponent shall:
  - 3.18.4.1 conduct monitoring one year prior to operation;
  - 3.18.4.2 conduct monitoring at least twice a year for the first three years of operation and:
    - 3.18.4.2.1 if the results of the monitoring referred to in condition 3.18.4.2 demonstrate a statistically significant change with the results of monitoring referred to in condition 3.18.4.1, conduct a fish habitat utilization survey to verify that these changes do not cause adverse environmental effects to fish and fish habitat. The Proponent shall determine the methodology, the frequency and the duration of this survey in consultation with Indigenous groups and relevant authorities.
  - 3.18.4.3 after the third year of operation, the Proponent shall:
    - 3.18.4.3.1 continue monitoring of nutrient levels, algae abundance and dissolved oxygen levels every three years for a duration that shall be determined in consultation with Indigenous groups and relevant authorities, if the results of monitoring referred to in condition 3.18.4.2 demonstrate that no adverse environmental effects to fish and fish habitat from Designated Project activities are occurring; or
    - 3.18.4.3.2 continue monitoring at a frequency and duration that shall be determined in consultation with Indigenous groups and relevant authorities, if the results of monitoring referred to in condition 3.18.4.2 demonstrate that adverse environmental effects to fish and fish habitat from Designated Project activities are occurring.
- 3.18.5 if results of the monitoring referred to in conditions 3.18.1, 3.18.2, 3.18.3 or 3.18.4 or the results of the fish habitat utilization survey referred to in condition 3.18.4.2.1 demonstrate that modified or additional mitigation measures are required to protect fish and fish habitat from changes to water and sediment quality, develop and implement modified or additional mitigation measures pursuant to condition 2.7, which shall include, at a minimum, the installation and use of an effluent treatment facility. The Proponent shall submit these measures to the Agency before implementing them.
- 3.19 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of the mitigation measures as it pertains to the adverse environmental effects on fish and fish habitat in Otto Lake, Herman Lake and Goudreau Lake from changes in groundwater quality caused by the Designated Project. The Proponent shall implement the follow-up program during all phases of the Designated Project in consultation with Indigenous groups. As part of the implementation of the follow-up program, the Proponent shall:
  - 3.19.1 monitor groundwater quality using as benchmarks the comparative standards for water quality identified by the Proponent in Table 7-54 of the Environmental Impact Statement; and

3.19.2 if the results of the monitoring referred to in condition 3.19.1 demonstrate that modified or additional mitigation measures are required to mitigate adverse environmental effects on fish and fish habitat of changes in groundwater quality caused by the Designated Project, develop and implement modified or additional mitigation measures pursuant to condition 2.7. The Proponent shall submit these measures to the Agency before implementing them.

#### **4 Migratory birds**

- 4.1 The Proponent shall carry out the Designated Project in a manner that protects migratory birds and avoids harming, killing or disturbing migratory birds or destroying, disturbing or taking their nests or eggs. In this regard, the Proponent shall take into account Environment and Climate Change Canada's *Avoidance Guidelines* and the risk of incidental take. The Proponent's actions when carrying out the Designated Project shall be in compliance with the *Migratory Birds Convention Act, 1994*, the *Migratory Birds Regulations* and with the *Species at Risk Act*.
- 4.2 The Proponent shall control lighting required during all phases of the Designated Project, including direction, timing and intensity, to avoid adverse environmental effects on migratory birds, while meeting health and safety requirements.
- 4.3 The Proponent shall undertake, in consultation with Indigenous groups and relevant authorities, progressive reclamation of the project study area. The Proponent shall identify, prior to the start of progressive reclamation and in consultation with Indigenous groups and relevant authorities, plant species native to the area of the Designated Project to use for revegetation as part of the progressive reclamation, including species suitable to create habitat for migratory birds.
- 4.4 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the use by migratory birds of surface water facilities in the project study area. As part of the implementation of the follow-up program, the Proponent shall:
- 4.4.1 monitor, at times migratory birds may be present in the project study area, the use by migratory birds of the tailings management facility and the water quality control pond during all phases of the Designated Project until such time that water quality in the tailings management facility and the water quality control pond meet legislative requirements and water quality objectives. The water quality objectives are to be established using an ecological risk based approach, developed in consultation with Indigenous groups and relevant authorities;
  - 4.4.2 monitor, at times migratory birds may be present in the project study area, the use by migratory birds of the open-pit lake during decommissioning. The Proponent shall determine, in consultation with indigenous groups and relevant authorities, the frequency and duration of the monitoring during decommissioning; and
  - 4.4.3 if results of the monitoring referred to in conditions 4.4.1 or 4.4.2 indicate that migratory birds use the tailings management facility, the water quality control pond or the open-pit lake, develop, in consultation with Indigenous groups, and implement deterrence measures pursuant to condition 2.7. The Proponent shall submit these measures to the Agency before implementing them.

- 4.5 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of the mitigation measures to avoid harm to migratory birds, their eggs, and nests, including the mitigation measures used to comply with conditions 4.1 to 4.3. As part of the development of the follow-up program, the Proponent shall identify performance indicators that shall be used by the Proponent to evaluate the effectiveness of the progressive reclamation referred to in condition 4.3. The Proponent shall implement the follow-up program during all phases of the Designated Project. As part of the implementation of the follow-up program, the Proponent shall:
- 4.5.1 conduct migratory bird surveys annually for the first three years following completion of construction to assess changes in migratory bird populations caused by the Designated Project. The Proponent shall determine the methodology for the migratory bird surveys in consultation with Indigenous groups and relevant authorities. The Proponent shall determine, in consultation with Indigenous groups and relevant authorities and based on the results of the initial surveys, if additional surveys are required after the first three years following completion of construction and at what frequency and in which locations these additional surveys shall occur; and
  - 4.5.2 monitor the effectiveness of the progressive reclamation referred to in condition 4.3, including the establishment of native plant species to create habitat for migratory birds, annually during operation and during the first three years of decommissioning and every five years thereafter. The Proponent shall monitor the effectiveness of the progressive reclamation referred to in condition 4.3 until the Proponent has determined, in consultation with Indigenous groups and relevant authorities, that the performance indicators have been met.

## **5 Health of Indigenous Peoples**

- 5.1 The Proponent shall develop, prior to construction, measures to mitigate emissions of dust and fugitive particulate generated by the Designated Project, including dust associated with mine vehicles on roads located within the property boundary, that take into account the standards and criteria set out in the Canadian Council of Ministers of the Environment's *Canadian Ambient Air Quality Standards* and Ontario's *Ambient Air Quality Criteria*. The Proponent shall submit these measures to the Agency before implementing them. The Proponent shall implement these measures during construction, operation and the first three years of decommissioning.
- 5.2 The Proponent shall undertake reagent handling and ore processing activities in an enclosed space equipped with a dust collection system.
- 5.3 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of the mitigation measures as it pertains to the adverse environmental effects on the health of Indigenous Peoples caused by increased concentration of air contaminants, including total suspended particulates, particulate matter (PM<sub>10</sub>), fine particulate matter (PM<sub>2.5</sub>), sulphur dioxide, nitrogen dioxide and cadmium. As part of the follow-up program, the Proponent shall:

- 5.3.1 identify, prior to construction, monitoring locations for air contaminants within areas used by Indigenous groups for traditional purposes for which maximum concentrations of air contaminants were predicted by the Proponent during the environmental assessment, as identified in Appendix N of the final response to Information Request 01 (Canadian Environmental Assessment Registry Reference Number 80044, Document Number 26);
  - 5.3.2 monitor, during construction, operation and the first three years of decommissioning, air contaminants at the monitoring locations identified pursuant to condition 5.3.1, using as benchmarks the standards and criteria set out in the Canadian Council of Ministers of the Environment's *Canadian Ambient Air Quality Standards* and Ontario's *Ambient Air Quality Criteria*. The Proponent shall monitor fine particulate matter (PM<sub>2.5</sub>) in real-time, particulate matter (PM<sub>10</sub>) and cadmium at a minimum every 6 days and total suspended particulates, sulphur dioxide and nitrogen dioxide at a frequency that shall allow the Proponent to monitor adverse environmental effects on human health. The Proponent shall determine the frequency of monitoring for total suspended particulates, sulphur dioxide and nitrogen dioxide in consultation with Indigenous groups and relevant authorities during the development of the follow-up program;
  - 5.3.3 notify the Agency and Indigenous groups in writing within 24 hours of any exceedance(s) observed by the Proponent during monitoring referred to in condition 5.3.2 of 1-hour limits or 24-hour limits of the standards and criteria set out in the Canadian Council of Ministers of the Environment's *Canadian Ambient Air Quality Standards* and Ontario's *Ambient Air Quality Criteria*, except for fine particulate matter (PM<sub>2.5</sub>); and
  - 5.3.4 determine, in consultation with Indigenous groups and relevant authorities, the thresholds for concentration of fine particulate matter (PM<sub>2.5</sub>) above which the Proponent shall notify Indigenous groups.
- 5.4 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of mitigation measures as it pertains to the adverse environmental effects on health of Indigenous Peoples caused by contamination of water and fish. As part of the follow-up program, the Proponent shall:
- 5.4.1 identify, prior to construction, fish species that shall be monitored, waterbodies where Indigenous use is expected and where contaminants shall be monitored;
  - 5.4.2 monitor mercury, methylmercury, cobalt, lead and arsenic in surface water in Otto Lake and other downstream waterbodies identified pursuant to condition 5.4.1 during all phases of the Designated Project;
  - 5.4.3 monitor mercury, methylmercury, cobalt, lead and arsenic in surface water in Goudreau Lake and other downstream waterbodies identified pursuant to condition 5.4.1 during decommissioning;
  - 5.4.4 monitor mercury, methylmercury, lead, arsenic and cobalt in fish tissue in Otto Lake and other downstream waterbodies identified pursuant to condition 5.4.1 every three years during all phases of the Designated Project, starting the first year of construction, and every five years after the end of decommissioning. The Proponent shall determine, in consultation with Indigenous groups and relevant authorities, if additional monitoring must be implemented after the end of decommissioning; and

- 5.4.5 monitor mercury, methylmercury, lead, arsenic and cobalt in fish tissue in Goudreau Lake and other downstream waterbodies identified pursuant to condition 5.4.1 every three years starting at the beginning of decommissioning and for a duration that shall be determined in consultation with Indigenous groups and relevant authorities.

## **6 Current use of lands and resources for traditional purposes**

- 6.1 The Proponent shall develop, prior to construction and in consultation with Indigenous groups, a communication plan to share information related to the Designated Project and the adverse environmental effects of the Designated Project with Indigenous groups. The Proponent shall implement and maintain the communication plan up-to-date during all phases of the Designated Project. The communication plan shall include procedures, including timing and methods, for sharing information on the following:
  - 6.1.1 the location and timing of Designated Project activities that may affect quality of experience to Indigenous uses of lands for traditional purposes caused by changes in dust, noise or light within the property boundary and that may permanently or temporarily affect navigation within the project study area;
  - 6.1.2 the results of the follow-up program referred to in conditions 3.16, 3.17, 3.18, 3.19, 4.4, 4.5, 5.3, 5.4, 6.5, 6.6, 7.2, and 7.3, including any potential health risks, in plain language, and the modified or additional mitigation measures developed and implemented by the Proponent pursuant to condition 2.7 for each follow-up program.
- 6.2 The Proponent shall develop, as part of the communication plan referred to in condition in 6.1, procedures for Indigenous groups to provide feedback to the Proponent about adverse environmental effects caused by the Designated Project related to access to and use of lands for traditional purposes, and procedures for the Proponent to document and respond in a timely manner to the feedback received and demonstrate how issues have been addressed, including through the implementation of additional or modified mitigation measures. The Proponent shall implement these procedures during all phases of the Designated Project.
- 6.3 The Proponent shall develop, prior to construction and in consultation with Indigenous groups, a Historic Resources Management Plan for structures, sites, or things of historical, archaeological, paleontological, or architectural significance. The Proponent shall implement the plan during all phases of the Designated Project. As part of the plan, for any previously unidentified structures, sites or things of historical, archaeological, paleontological or architectural significance discovered within the property boundary by the Proponent or brought to the attention of the Proponent by an Indigenous group or another party during any phase of the Designated project, the Proponent shall:
  - 6.3.1 immediately halt work at the location of the discovery, except for actions required to be undertaken to protect the integrity of the discovery;
  - 6.3.2 delineate an area with a radius of at least 30 metres around the discovery as a no-work zone and monitor any work conducted within 50 metres around the discovery;
  - 6.3.3 conduct an assessment at the location of the discovery;

- 6.3.4 inform the Agency and Indigenous groups within 24 hours of the discovery, and allow Indigenous groups to monitor and participate in the archeological work; and
  - 6.3.5 consult Indigenous groups and relevant authorities on the manner by which to comply with all applicable legislative or legal requirements and associated regulations and protocols respecting the discovery, recording, transferring and safekeeping of previously unidentified structures, sites or things of historical, archaeological, paleontological or architectural significance.
- 6.4 As part of the progressive reclamation referred to in condition 4.3, the Proponent shall:
- 6.4.1 identify, prior to the start of progressive reclamation and in consultation with Indigenous groups and relevant authorities, species of interest to Indigenous peoples to use for revegetation as part of the progressive reclamation; and
  - 6.4.2 develop, prior to the start of progressive reclamation and in consultation with Indigenous groups and relevant authorities, and implement, during all phases of the Designated Project, measures to manage the spread of invasive species. The Proponent shall submit these measures to the Agency before implementing them.
- 6.5 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, and implement, during all phases of the Designated Project, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the adverse environmental effects of the Designated Project on the current use of lands and resources for traditional purposes caused by changes in the use of the project study area by mammals, including black bear (*Ursus americanus*) and moose (*Alces alces*). As part of the development of the follow-up program, the Proponent shall identify, in consultation with Indigenous groups and relevant authorities, species of mammals, in addition to black bear (*Ursus americanus*) and moose (*Alces alces*), that shall be monitored. If the results of the monitoring indicate that these mammal species use the property, the Proponent shall implement modified or additional mitigation measures pursuant to condition 2.7 to prevent the identified species of mammals from accessing Designated Project components.
- 6.6 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, and implement during all phases of the Designated Project, a follow-up program to verify the accuracy of the environmental assessment and determine the effectiveness of mitigation measures, including the mitigation measures referred to in conditions 6.1 to 6.4, as it pertains to the adverse environmental effects of the Designated Project on the current use of lands and resources for traditional purposes. The Proponent shall implement the follow-up program during all phases of the Designated Project.

## **7 Wetlands**

- 7.1 The Proponent shall restore a minimum of 40 hectares of wetland within the property boundary. The Proponent shall determine, in consultation with Environment and Climate Change Canada, methods for restoration that are technically and economically feasible and that are appropriate for the project study area.



- 7.2 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to determine the effectiveness of restoration referred to in condition 7.1. As part of the development of the follow-up program, the Proponent shall identify performance indicators that shall be used by the Proponent to evaluate the effectiveness of the restoration. The Proponent shall monitor the effectiveness of the restoration from the start of the restoration until performance indicators are met.
- 7.3 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the presence of snapping turtle (*Chelydra serpentina*) or snapping turtle eggs within the project study area. The Proponent shall implement the follow-up program during construction and operation. If the Proponent observes snapping turtle or snapping turtle eggs, the Proponent shall develop, in consultation with Indigenous groups and relevant authorities, modified or additional mitigation measures pursuant to condition 2.7, which shall include, at a minimum, the installation of exclusion fences around snapping turtle habitat, if technically feasible, or the relocation of snapping turtles outside of the project study area. The Proponent shall submit these measures to the Agency before implementing them.

## **8 Accidents and malfunctions**

- 8.1 The Proponent shall take all reasonable measures to prevent accidents and malfunctions that may result in adverse environmental effects.
- 8.2 The Proponent shall, prior to construction, consult with Indigenous groups and relevant authorities on the measures to be implemented to prevent accidents and malfunctions.
- 8.3 The Proponent shall, prior to construction and in consultation with Indigenous groups and relevant authorities, develop an accident and malfunction response plan in relation to the Designated Project. The accident and malfunction plan shall include:
- 8.3.1 the types of accidents and malfunctions that may cause adverse environmental effects;
  - 8.3.2 the measures to be implemented in response to each type of accident and malfunction referred to in condition 8.3.1 to mitigate any adverse environmental effect(s) caused by the accident or malfunction; and
  - 8.3.3 the role of Indigenous groups in the implementation of the accident and malfunction plan.
- 8.4 In the event of an accident or malfunction with the potential to cause adverse environmental effects, the Proponent shall immediately implement the measures appropriate to the accident or malfunction as described in the accident and malfunction response plan referred to in condition 8.3.2 and shall:
- 8.4.1 notify, as soon as possible, Indigenous groups and relevant authorities of the accident or malfunction, and notify the Agency in writing no later than 24 hours following the accident or malfunction. For the notification to Indigenous groups and the Agency, the Proponent shall specify:
    - 8.4.1.1 the date the accident or malfunction occurred;

- 8.4.1.2 a description of the accident or malfunction;
  - 8.4.1.3 a list of any substances potentially released in the environment as a result of the accident or malfunction.
- 8.4.2 submit a written report to the Agency no later than 30 days after the day on which the accident or malfunction occurred. The written report shall include:
- 8.4.2.1 a detailed description of the accident or malfunction and of its adverse environmental effects and any associated potential health risks;
  - 8.4.2.2 a description of the measures that were taken by the Proponent to mitigate the adverse environmental effects caused by the accident or malfunction;
  - 8.4.2.3 any view(s) from Indigenous groups and advice from relevant authorities received with respect to the accident or malfunction, its adverse environmental effects, the associated potential health risks and the measures taken by the Proponent to mitigate these adverse environmental effects;
  - 8.4.2.4 a description of any residual adverse environmental effects and any modified or additional measures required by the Proponent to mitigate residual adverse environmental effects; and
  - 8.4.2.5 details concerning the implementation of the accident or malfunction response plan referred to in condition 8.3.
- 8.4.3 submit a written report to the Agency no later than 90 days after the day on which the accident or malfunction occurred that includes a description of changes made to avoid a subsequent occurrence of the accident or malfunction and of the modified or additional measure(s) implemented by the Proponent to mitigate and monitor residual adverse environmental effects and to carry out any required progressive reclamation, taking into account the information submitted in the written report pursuant to condition 8.4.2. The report shall include all additional views from Indigenous groups and advice from relevant authorities received by the Proponent since the views and advice referred to in condition 9.4.2.3 were received by the Proponent.
- 8.5 The Proponent shall develop a communication plan in consultation with Indigenous groups. The Proponent shall develop the communication plan prior to construction and shall implement and keep it up to date during all phases of the Designated Project. The plan shall include:
- 8.5.1 the types of accident and malfunction requiring the Proponent to notify the respective Indigenous groups;
  - 8.5.2 the manner by which Indigenous groups shall be notified by the Proponent of an accident or malfunction and of any opportunities for the Indigenous groups to assist in the response to the accident or malfunction; and
  - 8.5.3 the contact information of the representatives of the Proponent that the Indigenous groups may contact and of the representatives of the respective Indigenous groups to which the Proponent provides notification.

## **9 Schedules**

- 9.1 The Proponent shall submit to the Agency a schedule for all conditions set out in this Decision Statement no later than 60 days prior to the start of construction. This schedule shall detail all activities planned to fulfill each condition set out in this Decision Statement and the commencement and estimated completion month(s) and year(s) for each of these activities.
- 9.2 The Proponent shall submit to the Agency a schedule outlining all activities required to carry out all phases of the Designated Project no later than 60 days prior to the start of construction. The schedule shall indicate the commencement and estimated completion month(s) and year(s) and duration of each of these activities.
- 9.3 The Proponent shall submit to the Agency in writing an update to schedules referred to in conditions 9.1 and 9.2 every year no later than March 31, until completion of all activities referred to in each schedule.
- 9.4 The Proponent shall provide to the Agency revised schedules if any change is made to the initial schedules referred to in conditions 9.1 and 10.2 or to any subsequent update(s) referred to in condition 9.3, upon revision of the schedules.
- 9.5 The Proponent shall provide Indigenous groups with the schedules referred to in conditions 9.1 and 9.2 and the updates or revisions to the initial schedules pursuant to condition 9.3 and 9.4 at the same time the Proponent provides these documents to the Agency.

## **10 Record keeping**

- 10.1 The Proponent shall maintain all records relevant to the implementation of the conditions set out in this Decision Statement. The Proponent shall retain the records and make them available to the Agency throughout construction and operation and for 25 years following the end of operation or until the end of decommissioning of the Designated Project, whichever comes first. The Proponent shall provide the aforementioned records to the Agency upon demand within a timeframe specified by the Agency.
- 10.2 The Proponent shall retain all records referred to in condition 10.1 at a facility in Canada and shall provide the address of the facility to the Agency. The Proponent shall notify the Agency at least 30 days prior to any change to the physical location of the facility where the records are retained, and shall provide to the Agency the address of the new location.
- 10.3 The Proponent shall notify the Agency of any change to the contact information of the Proponent included in this Decision Statement.

Issuance

This Decision Statement is issued in Ottawa, Ontario by:



---

Date **JAN 24 2019**

---

**The Honourable Catherine McKenna**  
Minister of the Environment