



Impact Assessment
Agency of Canada

Agence d'évaluation
d'impact du Canada

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DEC 19 2019

Agency File Number: 80063

Tim Caldwell, RPF
Regional Manager, Environment & Regulatory Affairs
Centerra Gold Inc.
299 Victoria St, Suite 200
Prince George BC V2L 5B8

Email: tim.caldwell@centerragold.com

Dear Mr. Caldwell:

This letter is in response to the information submitted to the Impact Assessment Agency of Canada (the Agency) on November 8, 2019 regarding proposed changes for the Kemess Underground Project (the Project). The information provided addresses the following proposed changes to the Project:

- an increase in ore production capacity;
- a decrease in the mine's life from 13 to 11 years;
- modifications to the design of the KUG tailings storage facility, including earlier construction of the East Dam and an update to the causeway design;
- increases in concentration of truck traffic from 6 to 9 trucks per day on the Omnicea Access Resource Road; and
- realignment of the surface conveyor route.

The Agency has reviewed the information provided and determined that it meets the requirements of conditions 2.13 and 2.14 of the Decision Statement.

The Agency is of the view that the proposed changes do not constitute a new designated project, which could require a new impact assessment under the *Impact Assessment Act* (IAA). The Agency will now conduct an analysis of the information provided, including information related to the potential adverse environmental effects of the proposed changes, to determine which changes to the Decision Statement will be recommended to the Minister of Environment and Climate Change (the Minister).

On August 28, 2019, the IAA came into force, repealing the *Canadian Environmental Assessment Act, 2012* (CEAA 2012). Section 184 of the IAA provides that decision statements issued under CEAA 2012 are deemed to be



decision statements under the IAA and are therefore subject to the provisions of the IAA. Pursuant to section 68 of the IAA, the Minister may amend the Decision Statement (including modifying, adding or removing a condition) in light of the proposed changes to the project. The Minister is not permitted to amend the Decision Statement to change the decision.

Based on the information available to date, it is likely that changes to the Decision Statement will be required to reflect the increase in ore production capacity and the decrease in the duration of the mine's life. The Agency may also recommend other changes to specific conditions to the Minister.

Pursuant to section 69 of the IAA, if the Minister intends to amend the Decision Statement, he must ensure that the public is invited to provide comments on the draft amended Decision Statement. In addition to the draft amended Decision Statement, the Agency will post the information you are providing on the proposed changes and the Agency's draft analysis to the Canadian Impact Assessment Registry (CIAR) for the purpose of supporting the consultation on the amended Decision Statement. As part of its recommendation to the Minister, the Agency will consider comments from the public, Indigenous groups and federal authorities on the proposed changes and the draft amended Decision Statement. The Agency will also consider comments that you may provide on the draft amended Decision Statement. If the Minister amends the Decision Statement, the Agency will post the reasons for that decision, including the results of the Agency's analysis, to the CIAR.

As the Agency conducts its analysis, we may require additional information from you, pursuant to section 72(1) of the IAA. Please note that until the Minister issues an amended Decision Statement, you remain bound by the conditions set out in the current Decision Statement.

If you require additional information, please contact the Agency's Compliance and Enforcement Unit at iaac.compliance-conformite.aeic@canada.ca.

Sincerely,

<original signed by>

Robert Trudelle
Acting Chief of Compliance Promotion and Enforcement