

April 16, 2019



Dear :

Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-59-2019)

On April 5, 2019, the Department of Natural Resources received your request for access to the following records/information:

Meeting Note from February titled Meeting with Teck Resources Limited.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 29(1)(a), 35(1)(d), 35(1)(f), 35(1)(g) and 40(1) of *ATIPPA, 2015* as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1)(f) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on behalf of the government of the province or a public body, or considerations which relate to those negotiations;

35. (1)(g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body;

40. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the *Access to Information and Protection of Privacy Act* (the *Act*). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act*.

Please be advised that this letter will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the letter posted to the Office of Public Engagement's website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,



Rod Hynes
ATIPP Coordinator

Meeting Note
Department of Natural Resources
Meeting with Teck Resources Limited
Day, Date Time TBD
PEI Room, Main Mezzanine Level, Fairmont Royal York Hotel

Attendees:

Colin Joudrie, Vice President, Business Development, Teck
Shehzad Barhmal, Vice President, North America Operations, Base Metals
Larry Bartlett, General Manager, Teck Resources Limited Duck Pond Operations

Minister Coady
Perry Canning, Assistant Deputy Minister

Purpose of Meeting:

- Teck Resources Limited requested a meeting to discuss the status and future plans for the Duck Pond site

Background:

- Teck Resources Limited (Teck) owns 100% of the now closed Duck Pond copper-zinc mine that is located approximately 30 km south-east of Millertown. The project consisted of two small open pits, an underground mine, a 1,800 tonnes per day concentrator (mill), tailings facilities and a 100 person operations camp. Production started at the mine in 2007 and ceased in 2015 due to resource depletion.

- The closure process at Duck Pond began in June 2015 and was originally set up in three phases. The first phase (2015–2018) included infrastructure removal and reclamation; the second (2018–2024) constituted water management and treatment; and the third phase involved the end of most activities at the site. Water management has been the greatest issue and an end date to water management has not been determined. [REDACTED] s.29.1.a

- Teck has completed a substantial portion of the final closure and reclamation in accordance with their accepted rehabilitation and closure plan and permitting requirements. The reclamation process currently involves coordination through the Joint Closure Committee (JCC) with representatives from Duck Pond Operations, NL Department of Natural Resources, NL Department of Municipal Affairs and Environment, and Environment Canada. The last update was provided by the company to the JCC on February 8, 2019.

- The Duck Pond operation is fully compliant with the Mining Act and financial assurance is in place for the full amount of the estimated cost for rehabilitation and closure. The estimated cost of rehabilitation was revised in June 2016 from \$7.93 million to \$24.25 million. Accounting for rehabilitation work done to December 2018, the latest estimated cost to complete site rehabilitation is \$12.2 million with \$12.2 million in financial assurance still in place. [REDACTED] s.29.1.a

- [REDACTED] s.35.1.d s.35.1.g

s.35.1.d s.35.1.g

s.35.1.d

s.35.1.g

[REDACTED] The newly formed company would have assumed all liability for the site from Teck, and utilized the still standing Duck Pond Mill as a centralized milling operation in an effort to improve the economics of the several smaller deposits which are too small to be developed as standalone operations.

- Larry Bartlett, General Manager of Duck Pond Operations since 2013, is retiring effective [REDACTED] s.40.1.

Agenda item #1

- Teck update on the current status, reclamation activity and future plans for the Duck Pond mill and site

Analysis

- Centralized milling would reduce the capital costs associated with development of individual deposits through eliminating the need for multiple mills. Smaller deposits may not have the volume or grades to recover and support the capital cost associated with a project specific mill. This would result in greater operational costs due to trucking distances from mine to offsite milling facility.
- The deposits that were proposed to be consolidated under the central milling are within trucking distance to the mill and range between 20km to 60km (straight line) from the Duck Pond site. Trucking distances along resource roads will be approximately 50% longer and some roads may require significant upgrading.
- Metallurgical test results support the idea that using a centralized milling facility to process the deposits could be viable. However, an economic study of the use of the Duck Pond mill as a central processing facility has not been shared with officials.

s.29.1.a

- [REDACTED]

s.35.1.d

s.35.1.g

- The mill remains intact. Teck has not provided final details on its plan for the mill. It has been verbally indicated that the mill will be removed in 2020.
- All contaminated soil has been removed from the site, except for the area around the mill, and placed in the tailings management facility. Confirmatory testing has been done and a report from the site professional has been provided to MAE.
- Water quality at the Boundary Deposit has remained a challenge. A ground water plume with elevated metals has been detected between the Boundary pits and Boundary Brook.
- Teck has evaluated options for capturing and treating this plume and have narrowed it down to two possibilities: groundwater collection wells that will pump the contaminated groundwater (about \$500,000), or a groundwater collection trench combined with grouting of the bedrock (about \$6 million). The chosen option will be implemented in the spring.

- Teck are reviewing several options to accelerate water quality improvement within the Boundary Pits. Water levels in the pit are being maintained below bedrock with water being pumped to the TMF for treatment. Treatment of water from the Boundary pits must continue until water quality within the pits is acceptable.



Potential Speaking Points

- The Minister may want to request a formal indication of Teck's plan with respect to the proposed deal with [REDACTED] s.35.1.d
- The Minister may want to inquire if Teck is in discussions or negotiations with any company interested in acquiring the mill, and if so, what is the proposed plan or status.
- The Minister may wish to congratulate Larry on his retirement and thank him for his contributions to the mining industry and for the leadership and example that he and Teck have shown during the Duck Pond rehabilitation process.

Proposed Actions

- None at this time.

Prepared/Approved by: B.Lawlor/K. Bradbury/A. Smith/P. Canning
Ministerial Approval:

February 13, 2019

