



Date: September 30, 2015

To: Michelle Unger, Pinchi Mine Manager
Teck Resources Limited, Pinchi Lake Mine

Cc: Diane Howe, Deputy Chief Inspector, Reclamation and Permitting, MEM
Heather Narynski, A/ Manager, Geotechnical Engineering, MEM

Re: **Review of Letter of Assurance Submission from June 30, 2015**

The Ministry of Energy and Mines (MEM) has engaged a consulting firm to evaluate the consistency and compliance of your letter of assurance in response to the Chief Inspector's orders issued on February 3, 2015. This review has determined that your submission satisfies the requirements of the order.

Below is a summary of the assessment made by your Qualified Professional Engineer (QPE) with associated plans/schedule to address the gaps identified:

Status of Foundation Condition

"Review of the available site investigation data indicates that lacustrine silt and clay deposits are typically present near the surface at the Pinchi Lake TSF site, overlying dense glacial till. There is insufficient data to assess the location and geotechnical properties of these deposits with any confidence. It is not clear from the available documents whether the design of the dam properly accounts for these materials. However, the observed performance of this dam during construction, operations, and closure provides evidence that the design was adequate for the range of conditions encountered."

The mine has committed to:

- *"The spatial distribution and thickness of the lacustrine silt-clay deposit is considered a gap and requires further investigation (complete by end of Q4 2016)."*

Status of Water Balance Adequacy

"There is no water storage at the TSF. The closure spillway is designed to handle the peak outflow from a 24-hour Probable Maximum Rainfall plus 100 year snowmelt."

Status of Filter Adequacy

“There is insufficient as-built information available to assess filter compatibility. However, the observed performance of the dam, combined with the fact that the TSF is now a dry facility, provides evidence that the filter is functioning adequately to prevent piping.”

MEM supports the proposed plan of action. Please ensure that all work as outlined above is completed within the specified timeframe. MEM will be following-up by January 15, 2017 to obtain a status update with respect to the work completed and commitments made.

The orders issued on February 3, 2015 have been requested to provide assurance the conditions at the Mount Polley dam do not exist in other facilities. Please ensure that you are meeting your other ongoing requirements to ensure Tailings Storage Facility safety with respect to the following:

- Satisfying any outstanding orders from previous Ministry inspection reports.
- Satisfying any outstanding recommendations from previous Dam Safety Inspections (DSI) or Dam Safety Reviews (DSR).

It is expected that you will ensure dam safety management is continuously reviewed, improved and refined throughout the life of mine.

Thank you for your submission to the orders of February 3, 2015.

Sincerely,

A handwritten signature in black ink, appearing to read 'Al Hoffman', written over a horizontal line.

*Al Hoffman, P. Eng.
Chief Inspector of Mines
Ministry of Energy and Mines*