



Conservation and Water Stewardship

Climate Change and Environmental Protection Division
Environmental Approvals Branch
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5
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www.gov.mb.ca/conservation/eal

CLIENT FILE NO.: 5568.00

May 10, 2012

Stephen West, P.Eng.
Hudson Bay Mining & Smelting Co. Ltd.
PO Box 1500
Flin Flon R8A 1N9

Dear Mr. West:

Enclosed is **Environment Act Licence No. 3005** dated May 10, 2012 issued in accordance with *The Environment Act* to the **Hudson Bay Mining & Smelting Co. Ltd.** for the construction, operation and maintenance of the Development being a 115kV substation, known as the Chisel North Substation, located on property contained within the existing Chisel North Mine near the Town of Snow Lake, in accordance with the Proposal filed under *The Environment Act*, dated February 15, 2012.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Darrell Ouimet, Environment Officer @ (204) 945-7067.

Pursuant to Section 27 of *The Environment Act*, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M.Sc.
Director
Environment Act

Enc.

c: Don Labossiere, Director, Environmental Compliance and Enforcement
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 3005 (*by the Licencee only*) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by May 18, 2012.

Hudson Bay Mining & Smelting Co. Ltd.

Date

****A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

LICENCE

Licence No. / Licence n° 3005

Issue Date / Date de délivrance May 10, 2012

In accordance with The Environment Act (C.C.S.M. c. E125) /
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO : / CETTE LICENCE EST DONNÉE À :

HUDSON BAY MINING & SMELTING CO. LTD.:
"the Licencee"

for the construction, operation and maintenance of the Development being a 115kV substation, known as the Chisel North Substation, located on property contained within the existing Chisel North Mine near the Town of Snow Lake, in accordance with the Proposal filed under *The Environment Act*, dated February 15, 2012, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

“**Department**” means Manitoba Conservation and Water Stewardship;

“**Director**” means an employee so designated pursuant to *The Environment Act*;

“**Environment Officer**” means an employee appointed as such by the Minister;

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall not affect any land during the construction and operation of the Development which is not leased by the Province of Manitoba.

****A COPY OF THIS LICENCE AND MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

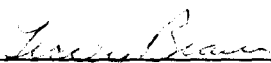
2. The Licencee shall establish any fuel storage areas required for the construction and operation of the Development:
 - a) a minimum distance of 100 metres from any waterbody; and
 - b) in compliance with the requirements of ***Manitoba Regulation 188/2001***, or any future amendment thereof, respecting ***Storage and Handling of Petroleum Products and Allied Products***.
3. The Licencee shall ensure fuel storage containers incorporate secondary containment in accordance with ***Manitoba Regulation 188/2001***, or any future amendment thereof, respecting ***Storage and Handling of Petroleum Products and Allied Products***.
4. The Licencee shall collect and dispose of all used petroleum products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development in accordance with ***The Dangerous Goods Handling and Transportation Act***.
5. The Licencee shall, at all times during the construction of the Development, have available at the construction sites, materials to contain and recover spills of fuel and other fluids associated with construction machinery.
6. The Licencee shall during construction and operation of the Development:
 - a) immediately report any reportable spills to Manitoba Conservation's Accident Reporting Line at (204) 944-4888 pursuant to ***Manitoba Regulation 439/87***, respecting ***Environmental Accident Reporting***, or any future amendment thereof; and
 - b) at the request of the Director, provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposed corrective action to prevent reoccurrence.
7. The Licencee shall dispose of solid waste and non-reusable demolition and construction debris from the Development at a waste disposal ground operating under the authority of a permit pursuant to ***Manitoba Regulation 150/91*** respecting ***Waste Disposal Grounds***, or any future amendment thereof, or a Licence pursuant to ***The Environment Act***.
8. The Licencee shall, during construction of the Development, dispose of all sewage and septage from on-site sanitary facilities in accordance with:
 - a) ***Manitoba Regulation 83/2003***, respecting ***Onsite Wastewater Management Systems Regulation***, or any future amendment thereof; or
 - b) this Licence.
9. The Licencee shall, prior to construction of the Development, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development and ensure they have a working knowledge and understanding of the conditions in the Licence.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

10. The Licencee shall, prior to commencement of construction activities for the oil containment facilities at the Development, submit to the Director the results of an Oil Containment Assessment. Oil containment Plans and Specifications, as recommended in the Oil Containment Assessment shall be approved by the Director prior to the commencement of construction of the oil containment facilities at the Development.
11. The Licencee shall construct and install the oil containment equipment as described in the Plans and Specifications approved by the Director as required by Clause 9 of this Licence.
12. The Licencee shall, prior to disposal of soil from salvaged station site, determine acceptable levels of any PCB contaminated soils tested from current CCME guidelines. A Manitoba Conservation and Water Stewardship, Northwest Region, Environment Officer shall be notified of any plans for disposal of contaminated soils and oil from the salvaged transformers, prior to disposal.

REVIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 11 of *The Environment Act*.
- C. If construction of the development has not commenced within five years of the date of this Licence, the Licence is revoked.



Tracey Braun, M.Sc.
Director
Environment Act

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