Province of British Columbia
MINISTRY OF ENERGY AND MINES
Report of Inspector of Mines
Permitting
(Issued pursuant to Section 15 of the Mines Act)

Mine Name: Tulsequah Chief  Location: Atlin MD / 58.737, -133.600
Owner/Operator: Chieftain Metals Inc  Address: Unit 118, 1515 Broadway Street
Manager: No Mine Manager assigned  Port Coquitlam BC V3C 6M2
Areas Inspected: Barge load out, Water treatment area and Airstrip area
Date of Inspection: 2017/07/12  Accompanying Inspector(s):

Persons Contacted
Management: N/A
OHS Committee:
# Workers Contacted: 0

A copy has been forwarded to the Joint Occupational and Safety Committee and the union as applicable. The Mine manager shall complete the Manager’s Response section, noting specific corrective actions taken by a specified date, and return a copy to the Inspector within 15 days of receiving the report. Further the manager shall post a copy to the bulletin board, to be replaced by a copy showing the manager’s response. In this document, Code means Health, Safety and Reclamation Code for Mines in British Columbia.

PREAMBLE:

On July 12, 2017 and inspection was conducted at the Tulsequah Chief Mine including the barge load-out, the water treatment site and the airstrip.

I was accompanied by Nathaniel Amann-Blake, Executive Lead Compliance & Enforcement, Ministry of Energy and Mines; Neil Bailey, Senior Environmental Protection Officer, Ministry of Environment; and, Kelly Mills, Environmental Protection Officer, Ministry of Environment.

The purpose of the inspection was to follow up on site conditions and orders issued in the October 24, 2016 inspection report identifying environmental and health and safety concerns. In addition, we observed and assisted Ministry of Environment staff in their inspection of Environmental Management Act Waste Discharge Authorization #105719 and the collection of water samples.

Michael Olsen  
Inspector of Mines  
3rd Floor, 1810 Blanshard Victoria BC V8W 9M9  
Signature – Inspector of Mines

Tania.Demchuck@gov.bc.ca; Nathaniel.Amann-Blake@gov.bc.ca;  
Copies To  
Report Date: 2017/07/14  
Signature – Manager
**OBSERVATIONS:**
The site remains in care and maintenance. As of the date of this inspection, there was no evidence of current or recent activity at the mine. As identified in October 24, 2016 inspection report, there is no identified mine manager and all of the non compliance issues identified at that time remain outstanding.

The barge load-out had a stockpile of appliances, paint cans and metal garbage (Photo#1). We also identified a metal boat approx. 100m downstream of the load-out area that has been pulled to shore and the motor wrapped for protection. This indicates that the site may be accessed by non-mine staff.

![Photo #1: Stockpile of appliances, paint cans and metal found at the barge load-out.](image)

At the water treatment site it was identified that the diversion ditch from portal 5400 level was not operating as designed. The non-contact or neutral drainage mine water pipe has been damaged (Photo#2) and may be plugged. It appears that most non-contact water is being diverted from its discharge point, mixing with contact water and entering the ex-filtration pond.
Photo#2: Non contact water or neutral water diversion pipe damaged by rock fall.

The ex-filtration pond is not in good repair. It is overflowing and draining directly into the Tulsequah River (Photo#3). The pond does not have adequate freeboard, (Photo #5), and there is evidence that in higher flows the pond overflow is traveling further down the roadway, (Photo#4), separating the pond from the river which may lead to additional discharge location(s).
**Photo#3:** Overflow discharge of contact water from ex-filtration pond into Tulsequah River.

**Photo#4:** Ground staining indicating over flow of ex-filtration pond extending beyond current discharge point during higher flows.
Photo#5: Photo of the ex-filtration pond. The left side of the pond demonstrates inadequate freeboard. In the top and center of the background you can see where the pond overflows onto the roadway.

Photo#6: Additional photo showing overflow of ex-filtration pond onto the roadway.
At the airstrip two of the locked buildings had been vandalized (Photo#7). Pad locks had been torn from the door frames. It is not known if other property was damaged or if anything has been removed from site.

Photo#7: Example of vandalism identified on two buildings located at the airstrip.

The above items were observed during the July 12, 2017 inspection and confirm that non-compliances noted during the September 9, 2016 inspection remain present. Orders issued to the owner, agent, manager, permittee or person apparently in charge on October 24, 2016 and re-iterated on July 4, 2017 have not yet been addressed. The July 4th letter sets out the expectation for response to the orders by July 31, 2017.

**MANAGER’S RESPONSE:**