

APPENDIX B

**GUIDANCE TO PROPONENT DECISION STATEMENT REPORTING AND NOTIFICATION
REQUIREMENTS RAINY RIVER PROJECT
ANNEX 1**

Project Name: Rainy River Project
Proponent: New Gold Inc.
Decision Statement Issued: 1/12/2015
CEARIS Ref. Number: 80007
Reporting Period: 2015

Condition 2 - General Conditions

Condition 2.1

The Proponent shall, throughout all phases of the Designated Project, inform its actions in meeting the conditions set in this Decision Statement by the best available information and knowledge, based on validated methods and models, undertaken by qualified individuals and apply the best available economically and technologically feasible mitigation measures.

Status: Ongoing

Supporting Analysis:

Completed to date. The first year of construction was primarily associated with site development and was directed by the submitted EA and environmental approval applications, all of which were reviewed and approved by the applicable Regulatory Authorities.

Condition 2.2

Where consultation is a requirement of the conditions set out in this Decision Statement, the Proponent shall first consult Aboriginal groups on the most appropriate manner in which to engage in consultation with them.

Status: Ongoing

Supporting Analysis:

Consultation and engagement methods were significant discussion items throughout the EA process; processes and direction provided by communities on consultation and engagement continued through 2015.

Condition 2.3

The Proponent shall submit to the Agency an annual report on the implementation of the conditions set out in this Decision Statement with a supporting analysis for each of the conditions for the preceding calendar year on or before March 31, starting from the commencement of any activities in connection with the carrying out of the Designated Project. Each annual report shall describe how the Proponent has considered and incorporated the factors outlined in condition 2.1 in the implementation of the conditions set out in this Decision Statement.

Status: Completed

Supporting Analysis:

This table forms part of the Annual Compliance Report for 2015.

Condition 2.4

The Proponent shall, in consideration of the annual report for condition 2.3, provide documentation to the Agency indicating the results of any monitoring for conditions 3.8, 4.6, 5.2, 5.3, 5.4, 6.4, and 8.4. The documentation shall demonstrate whether the mitigation measures have proven effective and whether the predictions made during the environmental assessment were accurate. The documentation shall also detail any corrective actions taken by the Proponent should the mitigation measures prove not to be effective.

Status: Ongoing

Supporting Analysis:

2015 was only a partial year of construction. Therefore, some of the monitoring was not yet necessary. For the monitoring work that was done (3.8.2, 3.8.4, 4.6, 5.2, 5.4, and 8.4), their detail and results are provided in the individual sections.

Condition 2.5

The Proponent shall make the report and documentation referred to in conditions 2.3 and 2.4 available on its website no later than 30 days after submission to the Agency.

Status: Completed

Supporting Analysis:

This table forms part of the first annual report. It will be made available as required.

NOTE FOR CEAA: We will be all supporting documentation on the website once the submission is final.

Project Name: Rainy River Project
Proponent: New Gold Inc.
Decision Statement Issued: 1/12/2015
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Condition 3- Fish and fish habitat

Condition 3.1

The Proponent shall minimize changes caused by the Designated Project to water levels and water flows in the Pinewood River, the Minor Creek System, and the Modified Minor Creek System in such a way as to protect fish and fish habitat, by implementing mitigation measures including, but not limited to:

Status: Ongoing

Supporting Analysis:

Refer to supporting analysis 3.1.1 to 3.1.4

Condition 3.1.1

recycling of water, for ore processing, from the tailings management area and ponds constructed for water management;

Status: Not applicable at this time

Supporting Analysis:

There have been no significant Project - related changes in 2015. Since the project is partially constructed there was no processing use or recycling of water during 2015. Construction of portions of the Tailings Management Facility and Water Management Pond were initiated but not completed in 2015. New Gold has obtained all applicable Permits to Take Water from the Ministry of Environment and Climate Change (MOECC) which regulate the volume of water that can be taken from the Pinewood River System and supporting tributaries. This condition will come into effect during 2017.

Condition 3.1.2

optimizing the timing, position and quantity of final effluent discharge between the final effluent discharge points;

Status: Ongoing

Supporting Analysis:

There have been no significant Project-related changes, as 2015 included only a partial year of construction and changes to watershed areas/capture of watershed areas during the year were negligible. There were no significant effluent discharges from the site during 2015 related to ore processing and tailings. During the planning and permitting stages of the project New Gold has received a number of Permits to Take Water from the Ministry of Environment and Climate Change which regulate the volume of water the project is permitted to take and to discharge including effluent from temporary sediment ponds. All discharge points have been obtained through the Environment Canada Metal Mining Effluent Notification Process. For detailed information on the location of the effluent discharge points being utilized in 2015 refer to the map 'Sediment Ponds and Seepage Collection' in Appendix C of this report.

Condition 3.1.3

filling the open pit during the decommissioning and abandonment phases in a manner which meets the flow requirements in the Pinewood River while allowing the pit to be filled as expeditiously as possible to reduce any adverse environmental effects

Status: Not applicable at this time

Supporting Analysis:

This condition will come into effect during pit closure planned for 2031

Condition 3.1.4

not taking water from the Pinewood River when flows are below the minimum threshold set by Ontario.

Status: Not applicable at this time

Supporting Analysis:

There were no direct takings from the Pinewood River during 2015. Water taking from the Pinewood River is anticipated during mid 2016.

Condition 3.2

The Proponent shall, for all effluent, comply with the Metal Mining Effluent Regulations, the Fisheries Act and any site-specific water quality requirements set by Ontario. To ensure compliance, the Proponent shall implement, at a minimum, the following mitigation measures:

Status: Ongoing

Supporting Analysis:

Refer to supporting analysis 3.2.1 to 3.2.5

Condition 3.2.1

treat effluent prior to discharge to the environment;

Status: Ongoing

Supporting Analysis:

During 2015 effluent discharges to the environment as defined by the Metal Mining Effluent Regulation (MMER) were related to temporary construction seepage ponds on the Plant Site. Effluent was generated from storm water runoff and contact water associated with blasting bedrock for the development of infrastructure foundations and treatment consisted of flocculent addition to reduce total suspended solids and dry ice to reduce ammonia levels. All water was treated and tested in accordance with applicable permits and legislation from Environment Canada (EC), Ministry of Environment and Climate Change (MOECC) and Fisheries and Oceans Canada (DFO). During the 2015 construction period there were 10 effluent discharges from construction dewatering sediment ponds designed to capture contact water and provide adequate treatment for Total Suspended Solids (TSS) and Ammonia prior to discharge to the environment. These discharges occurred between September and December. All discharge water met the water quality objectives outlined in the Environment Canada Metal Mining Effluent Regulation and the Ministry of Environment and Climate Change (MOECC) Construction Environmental Compliance Approval. The daily maximum discharge of TSS is 30mg/L and on November 5, 2015 there was one exceedance of TSS from the Plant Site Sediment Pond at 63mg/L. This discharge location is to a rock splash pad in a vegetated area where water then flows into a tributary that feeds the West Creek prior to entering the Pinewood River. No sediment from the discharge entered the West Creek or Pinewood River Systems. Further investigation into the cause of the TSS spike indicated that sampling error occurred while taking the water sample. Additional information related to all ten of the discharges including water quality results and discharge locations can be found in the 2015 New Gold Rainy River Effluent Sampling and Discharge Results included in Appendix C of this document. In 2017 tailings from ore reclaiming will be treated in the Tailings Management Facility. Water quality objectives and sampling requirements for the Rainy River Project are outlined in the MMER and the MOECC Environmental Compliance Approvals for Construction and Operations. Additional information related to surface water sampling and effluent treatment sampling and discharge can be found in Appendix C.

Condition 3.2.2

treat tailings slurry to break down cyanide and precipitate heavy metals;

Status: Not applicable at this time

Supporting Analysis:

This condition is not applicable to the current construction phase of the project. During 2017 tailings will be generated and treated in accordance with the Metal Mining Effluent Regulation and the Environmental Compliance Approval for the Rainy River Project.

Condition 3.2.3

collect site contact water and seepage in ditches and divert to either the tailings management area or water management facilities for release via final discharge points;

Status: Ongoing

Supporting Analysis:

Site contact water generated from blasting and construction activities is collected in a temporary water management facility on the Plant Site where it is treated, sampled and discharged in accordance with approvals and legislation from Environment Canada, Department of Fisheries and Oceans and the Ministry of Environment and Climate Change. During 2016 as the project advances in construction phase several temporary water management facilities are designed for the Open Pit and overburden stockpiles until the completion of permanent water and tailings management facilities in 2016 and 2017. For detailed information regarding the location of construction phase water management facilities please refer to the map "Sediment Ponds and Seepage Collection Systems" in Appendix C.

Condition 3.2.4

install and operate a water quality control structure in the constructed wetland to prevent the release of final effluent discharge not compliant with the Regulations or requirements; and

Status: Not applicable at this time

Supporting Analysis:

This condition is not applicable to the current construction phase. Construction of the constructed wetland is scheduled for late 2016 and will include a water quality control structure.

Condition 3.2.5

install secondary containment on pipelines that cross the West Creek Diversion Channel to prevent accidental discharge of

Status: Not applicable at this time

Supporting Analysis:

Pipelines and secondary containments have been designed and will be installed in 2016.

Condition 3.3

The Proponent shall control acid rock drainage and metal leaching so that all effluent and passive outflow from the Project Site comply with the Metal Mining Effluent Regulations, any site-specific water quality requirements set by Ontario, and the Fisheries Act, as applicable at any time. To ensure compliance, the Proponent shall implement, at a minimum, the following mitigation measures:

Status: Ongoing

Supporting Analysis:

Refer to supporting analysis 3.3.1 to 3.3.8

Condition 3.3.1

line the former Clark Creek channel (under the east mine rock stockpile) with non-potentially acid generating material;

Status: Not applicable at this time

Supporting Analysis:

During 2015 the East Mine Rock Stockpile had not been developed. In late 2016 non acid generating rock will be used to line the former Clark Creek Channel as per the commitment.

Condition 3.3.2

sort waste rock into potentially acid generating and non-potentially acid generating rock stockpiles through the development and implementation of a detailed mine rock segregation program using criteria for determining potentially acid generating material set by Ontario;

Status: Ongoing

Supporting Analysis:

Blasting and rock excavation from the Rainy River Open pit Mine began in October 2015 and is expected to continue through 2016. Construction activities and infrastructure development require and consume the Non-acid Generating (NAG) waste rock we produce and therefore no stockpile for NAG rock was started in 2015. PAG Rock has been avoided for the most part. During this early stage, blasting patterns were drilled on a smaller pattern (6 x 7 x 10m grids) than proposed in Waste Rock management plan. Representative samples were taken on each drill hole to establish what would eventually become a representative dataset. Blasted material was held in the pit until Leco carbon and Sulphur results were processed for material evaluation. New Gold made the decision to manage material movement on a 2 NPR threshold, instead of the 1.65 NPR threshold submitted for permitting to add an extra level of safety until the metal leaching and acid generating potential of the rock could be well understood. All material leaving the open pit has placement data associated with it as per regulations. Additional testing and evaluation of the waste rock program is expected in 2016 as the mine rock dataset now exceeds the 366 samples the waste rock program was initially developed upon.

Condition 3.3.3

design and construct the perimeter ditching around the east mine rock stockpile and low grade ore stockpile to accommodate a 100-year flood event;

Status: Not applicable at this time

Supporting Analysis:

During 2015 a minimal amount of overburden removed from construction of foundations on the plant site was placed in the west portion of the east mine rock stockpile and temporary perimeter ditching and settling pond were constructed to capture runoff. All water is treated in accordance with the Construction Environmental Compliance Approval issued by Ministry of Environment and Climate Change as well as regulations under the Metal Mining Effluent Regulation. Water is discharged to an approved Environment Canada discharge location which drains into Clark Creek, however in 2015 there wasn't a need to discharge water. The perimeter ditching is planned for 2016 as material is extracted from the open pit.

Condition 3.3.4

use potentially acid generating material only for the purpose of constructing the tailing management dam, where saturated conditions can be maintained. Potentially acid generating material must not be used for any other construction purpose;

Status: Not applicable at this time

Supporting Analysis:

In 2015, no work allowing the use of PAG rock was done on the Tailings Management Pond. All waste rock has been characterized for its NAG and PAG characteristics and its placement during construction has been documented.

Condition 3.3.5

place an engineered cover over the east mine rock stockpile and any remaining ore stockpiles at or before the decommissioning phase. The cover should be designed to prevent infiltration of water and to limit infiltration of air during the decommissioning and abandonment phases;

Status: Not applicable at this time

Supporting Analysis:

Work to be completed in accordance with this condition at mine closure

Condition 3.3.6

cover the tailings with water and maintain the tailings in a perpetually saturated state during the decommissioning and abandonment phases;

Status: Not applicable at this time

Supporting Analysis:

This condition is not relevant to this phase of the project and will be implemented at mine closure

Condition 3.3.7

fill the open pit, in accordance with condition 3.1.3 and 3.1.4, as rapidly as practicable during the decommissioning and abandonment phases, using all available means, including directing drainage from the east mine rock stockpile into the pit; and

Status: Not applicable at this time

Supporting Analysis:

This condition is not relevant to this phase of the project. Open pit decommissioning is currently planned for 2031.

Condition 3.3.8

control water quality in the open pit lake during the abandonment phase.

Status: Not applicable at this time

Supporting Analysis:

This condition is not relevant to the construction phase and will be implemented during open pit decommissioning.

Condition 3.4

The Proponent shall design and construct new road watercourse crossings for the realignment of Highway 600 to allow for fish passage in accordance with the Environmental Guide for Fish and Fish Habitat.

Status: Completed

Supporting Analysis:

During the realignment of Highway 600 there was one water crossing required in a fish bearing watercourse located at the Pinewood River. In the Fall of 2015 a clear span bridge was installed over the Pinewood River. There was no in water work required for the installation therefore no alterations to the original river channel that would impact or alter fish habitat or passage.

Condition 3.5

The Proponent shall design and construct new road watercourse crossings for the realignment of Highway 600 to meet the Highway Drainage Design Standards of the Ministry of Transportation of Ontario.

Status: Completed

Supporting Analysis:

During the design phase of the Highway 600 realignment routine meetings were held between New Gold (formally Rainy River Resources) and the Ministry of Transportation of Ontario (MTO). The road and its associated crossings have been designed and constructed to meet MTO standards and was completed under the MTO Construction Administration and Inspection Task Manual (CAITM) protocol. Highway 600 will be turned over to the MTO in 2016.

Condition 3.6

The Proponent shall design and construct water intakes meeting standards set out in the Freshwater Intake End-of-Pipe Fish Screen Guideline of the Department of Fisheries and Oceans Canada (DFO).

Status: Ongoing

Supporting Analysis:

No freshwater intakes have been installed at this time. In 2016 a freshwater intake will be installed at the Pinewood River to pump water from the river to the Water Management Pond. A fish screen system has been incorporated into the design that meets the guidelines outlined by DFO. Construction dewatering pumps used during the installation of permitted culverts in fish bearing streams are equipped with end of pipe fish screens. This requirement has been implemented into the New Gold Site Procedure for Construction Dewatering and Monitoring (ENV PRCD-003) which can be located in Appendix C.

Condition 3.7

The Proponent shall both offset any residual serious harm to fish in accordance with subsection 35(2) of the Fisheries Act and associated regulations, and compensate for the loss of fish habitat resulting from the deposition of a deleterious substance into a tailings impoundment area in accordance with the Metal Mining Effluent Regulations, by recreating fish habitat in the West Creek Diversion Channel, West Creek Pond, Stockpile Pond Diversion Channel, Stockpile Pond, Clark Creek Diversion Channel, Clark Creek Pond, and Teeple Road Pond.

Status: Ongoing

Supporting Analysis:

Fish habitat compensation was designed by qualified experts and was reviewed by the Ministry of Natural Resources and Forestry and the Department of Fisheries and Oceans Canada (DFO) during the permit approval phase. In 2015 all structures excluding the Clark Creek Pond and Teeple Pond were excavated and some of the features were constructed. Work will continue in 2016 with completion anticipated late in the spring. Once the channels and ponds are commissioned a five year monitoring program will be implemented as specified in DFO Authorization number 15-HCAA-00039 issued to New Gold on June 15, 2015. Photos of the Teeple Diversion from October 2015 can be found in Appendix C.

Condition 3.8

The Proponent shall monitor water quality and quantity, and fish and fish habitat, to determine the effectiveness of the mitigation measures under conditions 3.1, 3.2, 3.3 and 3.7. In doing so, the Proponent shall monitor, at a minimum:

Status: Ongoing

Supporting Analysis:

Refer to supporting analysis 3.8.1 to 3.8.6

Condition 3.8.1

water levels and flows, with respect to minimum flow thresholds for the Pinewood River set by Ontario, during periods of water taking as authorized pursuant to the Ontario Water Resources Act;

Status: Ongoing

Supporting Analysis:

During 2015 a Flow Monitoring Station was installed in the Pinewood River to track elevations and flow rates of water in the Pinewood River System. A Flow Monitoring Station belonging to the Ministry of Environment and Climate Change (MOECC) is also located downstream of the project on the Pinewood River. New Gold is able to access this data. During 2015 no water was taken directly from the Pinewood River, however in 2016 commissioning of the Pinewood River Pumphouse will occur and water will be drawn from the river based on data collected from the station to ensure operation in accordance with the projects Permit to Take Water issued by MOECC on August 31, 2015. Furthermore the project has 5 additional Permits to Take Water for the Open Pit, Tailings Management Facility, Construction Workings and Aggregate. All water takings are monitored using calibrated flow meters and data obtained from these takings is submitted annually via the MOECC online reporting protocol. Water taking data is recorded in accordance with the New Gold Site Procedure for Tracking Water Related to PTTW and ECA developed on July 12, 2015 (procedure is located in Appendix C). This monitoring will be required for the life of the mine. Under PTTW #8776-9W2QN2 Industrial Water Supply for the Pinewood River New Gold was required to develop and submit to MOECC a Biological Monitoring that addresses methods for monitoring and identifying fish kills and fish stranding and a contingency plan to address adverse effects. This monitoring plan will be finalized for submission in early 2016 and will commence in 2016 following the installation and commissioning of the pumphouse.

Condition 3.8.2

effluent quality as per the requirements set out in the Metal Mining Effluent Regulations;

Status: Ongoing

Supporting Analysis:

During 2015 effluent discharges to the environment as defined by the Metal Mining Effluent Regulation (MMER) were related to temporary construction seepage ponds on the Plant Site. Effluent was generated from storm water runoff and contact water associated with blasting bedrock for the development of infrastructure foundations and treatment consisted of flocculent addition to reduce total suspended solids and dry ice to reduce ammonia levels. All water was treated and tested in accordance with applicable permits and legislation from Environment Canada (EC), Ministry of Environment and Climate Change (MOECC) and Fisheries and Oceans Canada (DFO). During the 2015 construction period there were 10 effluent discharges from construction dewatering sediment ponds designed to capture contact water and provide adequate treatment for Total Suspended Solids (TSS) and Ammonia prior to discharge to the environment. These discharges occurred between September and December. All discharge water met the water quality objectives outlined in the Environment Canada Metal Mining Effluent Regulation (MMER) and the Ministry of Environment and Climate Change (MOECC) Construction Environmental Compliance Approval. The daily maximum discharge of TSS is 30mg/L and on November 5, 2015 there was one exceedance of TSS from the Plant Site Sediment Pond at 63mg/L. This discharge location is to a rock splash pad in a vegetated area where water then flows into a tributary that feeds the West Creek prior to entering the Pinewood River. No sediment from the discharge entered the West Creek or Pinewood River Systems. Further investigation into the cause of the TSS spike indicated that sampling error occurred while taking the water sample. Additional information related to all ten of the discharges including water quality results and discharge locations can be found in the 2015 New Gold Rainy River Effluent Sampling and Discharge Results included in Appendix C of this document. In 2017 tailings from ore reclaiming will be treated in the Tailings Management Facility. Water quality objectives and sampling requirements for the Rainy River Project are outlined in the MMER and the MOECC Environmental Compliance Approvals for Construction and Operations. Further information and results related to surface water sampling and effluent sampling, treatment and discharge can be found in Appendix C.

Condition 3.8.3

the effectiveness of recreated fish habitat. The monitoring shall be designed in accordance with any authorizations pursuant to subsection 35(2) of the Fisheries Act and associated regulations and/or the Metal Mining Effluent Regulations;

Status: Ongoing

Supporting Analysis:

Fish habitat compensation was designed by qualified experts and was reviewed by the Ministry of Natural Resources and Forestry and the Department of Fisheries and Oceans Canada (DFO) during the permit approval phase. In 2015 all structures excluding the Clark Creek Pond and Teeple Pond were excavated and some of the features were constructed. Work will continue in 2016 with completion anticipated late in the spring. Once the channels and ponds are commissioned a five year monitoring program will be implemented as specified in DFO Authorization number 15-HCAA-00039 issued to New Gold on June 15, 2015. The monitoring program is designed to reveal the success of the compensation by looking at population diversity, density and migration. Details from the monitoring study will be included in the 2016 annual report.

Condition 3.8.4

the effectiveness of the potentially acid generating and non-potentially acid generating rock segregation program through ongoing geochemical verification of the waste rock during any period that waste rock is generated;

Status: Ongoing

Supporting Analysis:

Through 2015 and anticipated through 2016, the sampling to date has confirmed that the categorization of waste rock has been effective and the program is being evaluated on an ongoing basis.

Condition 3.8.5

water quality in the open pit, pursuant to any requirements set by Ontario in the Mine Closure Plan for the Designated Project; and

Status: Not applicable at this time

Supporting Analysis:

This condition is currently not relevant as the project is in its construction phase.

Condition 3.8.6

the maintenance of a perpetually saturated state of the tailings, for 25 years from the start of the decommissioning phase of the Designated Project.

Status: Not applicable at this time

Supporting Analysis:

This condition is currently not relevant as the project is in its construction phase

Project Name: Rainy River Project
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Condition 4- Migratory birds

Condition 4.1

The Proponent shall carry out all phases of the Designated Project in a manner that avoids harming or killing migratory birds, or disturbing, destroying or the taking of nests or eggs, with consideration of guidance provided in:

Status: Ongoing

Supporting Analysis:

Refer to supporting analysis 4.1.1 to 4.1.2

Condition 4.1.1

Environment Canada's policy on Incidental Take of Migratory Birds in Canada; and

Status: Ongoing

Supporting Analysis:

The Rainy River Project Environmental Department has implemented site wide notices regarding the breeding bird window, the requirements for bird sweeps in new construction areas or areas that have been inactive for periods of time. The department is also the primary contact for any incidents or mortalities to birds, nests or eggs. In 2015 there were no incidental take of Migratory Birds on site. The Environmental Department will continue to implement monitoring programs and employee awareness in 2016.

Condition 4.1.2

Environment Canada's avoidance guidelines on General Nesting Periods of Migratory Birds in Canada.

Status: Ongoing

Supporting Analysis:

Members of the Rainy River Project Environmental Department have been trained by qualified professionals on conducting bird sweeps and identifying Species at Risk bird species. Sixty seven bird sweeps were conducted between April and August in construction areas to ensure the absence of nesting birds or species at risk prior to excavation. In areas where nests were found, appropriate buffers were flagged off around the perimeter of the buffer zone and the nests were monitored on a weekly basis until the nests were abandoned. Buffer zones were established based on input from New Gold's consulting experts in conjunction with discussions from the Ministry of Natural Resources and Forestry. Vegetation clearing was prohibited during these months. This program will continue in 2016. Data collected from the 2015 bird sweeps can be found in Appendix D.

Condition 4.2

The Proponent shall, at all times, implement noise reduction measures to control sound levels from machinery to avoid harassing migratory birds.

Status: Ongoing

Supporting Analysis:

During the 2015 construction phase noise reduction measures employed during the first year of construction are compliant with the EIS commitments. Reducing the size of blasts where appropriate and maintaining tree buffers where applicable provided other solutions to noise mitigation. Furthermore vegetation clearing and constructing development in known nesting areas and mature forests was prohibited through the breeding bird window (May 1 to August 15). In 2015 New Gold hired a qualified consulting firm to conduct Species at Risk Monitoring which included sound level monitoring in Eastern Whip-poor-will Receptor Habitats during May and June, 2015. Results indicated that there were no exceedances of the hourly sound criteria threshold at either receptor that were attributable to Project related activities. Further information regarding this study can be found in the 2015 Species at Risk Monitoring Report included in Appendix D of this report.

Condition 4.3

The Proponent shall install and use site lighting fixtures in a manner that reduces light pollution in the surrounding environment to avoid disturbance to nocturnal species, such as the Common Nighthawk (*Chordeiles minor*).

Status: Ongoing

Supporting Analysis:

During the construction phase of the project there are limited permanent lightning fixtures installed on the project. Temporary light plants are used only in areas where employees are working a night shift or if required for safety purposes. Light plants are designed so that lights can be angled toward the ground. During routine field inspections members of the Rainy River Environmental Department check lighting plants to ensure they are angled appropriately and used only when necessary. Monitoring and consideration to this condition will continue to be implemented as the project advances.

Condition 4.4

The Proponent shall deter migratory birds from using the tailings management area.

Status: Not applicable at this time

Supporting Analysis:

During 2015 limited construction occurred on the Tailings Management Facility. In 2016 construction will commence on building the Tailings Management Facility and in mid 2017 tailings will be deposited into the containment. A plan to deter migratory birds from using the tailings management facility will be implemented in early 2017.

Condition 4.5

The Proponent shall provide comparable replacement artificial nesting structures for Barn Swallows (*Hirundo rustica*) prior to the removal of existing nesting structures.

Status: Ongoing

Supporting Analysis:

Four artificial nesting structures were put in place in April 2015, prior to the 2015 breeding season. There are several homesteads and old barns and garages on the Rainy River Project. In later 2014 and early 2015 six residential structures were removed from the plant site area prior to the nesting period. As the project advances there may be the need to remove additional structures. It is understood by the site construction department that all structures must be removed prior to April of each year. New Gold Environmental Department will continue to monitor the use of the artificial nesting structures and determine if they are adequate or if more nesting structures need to be implemented to offset the loss of man-made structures (i.e.; barns). A location map of the nesting boxes and photographs can be found in Appendix D.

Condition 4.6

The Proponent shall monitor migratory birds, breeding activity and mortality, to evaluate the effectiveness of mitigation measures under conditions 4.1 to 4.3. If monitoring demonstrates an inconsistency with those conditions, then document how this has been rectified. Monitoring starts at construction and ceases at the end of the decommissioning phase.

Status: Ongoing

Supporting Analysis:

During 2015 the project obtained the professional assistance of AMEC Foster Wheeler to conduct appropriate monitoring of migratory birds and their breeding activity as well as provide future monitoring recommendations. Studies included;

- Breeding bird surveys carried out along the transmission line corridor prior to construction (Spring/Summer 2014)
- Visual inspections of four artificial barn swallow nesting structures installed in April 2015.
- Development of a detailed Wildlife Monitoring Plan that is currently under review by the MNRF which will be implemented in 2016. The plan includes Species at Risk Monitoring and includes monitoring during the construction and operations phase as well as post mine closure.
- Acoustic monitoring in areas of non Whip-poor-will presence to ensure sound decibels are within an appropriate range
- Targeted point count surveys for diurnal SAR including Golden-winged Warbler, Barn Swallow and Bobolink and for woodland area-sensitive breeding birds in suitable habitat. Point counts will be based on standardized survey protocols described for the Ontario Breeding Bird Atlas Guide for Participants (OBBA 2001) so as to be consistent with baselines study methodology (Section 5.2.12);
- Incidental data collection for SAR and provincially rare species which are currently present at lower abundance including: Canada Warbler, Olive-sided Flycatcher, Short-eared Owl, American Pelican, Bald Eagle and Black-billed Magpie;
- Targeted twilight surveys for Eastern Whip-poor-will in suitable habitat. Whip-poor-will monitoring efforts will follow standardized survey protocols as outlined in the whip-poor-will Roadside Survey Participant's Guide (BSC 2012);
- Concurrent data collection for Common Nighthawk to be undertaken during targeted Eastern Whip-poor-will surveys as described above as no standardized survey protocols have been developed specifically for this species;
- Annual monitoring of active Bald Eagle nests which occur in close proximity the RRP site. Monitoring will attempt to establish fledging success;
- Implementation of a wildlife log of general breeding bird observations at the RRP site by employees (focused on raptors and raptor nests, and SAR species); and

In regard to mitigation strategies that are being implemented on the project to assist in monitoring and reduce adverse effects these include;

- Acquiring of 1468 hectares of lands to provide Eastern Whip-poor-will breeding territories and 348 hectares of field habitat suitable for Bobolink breeding habitat. These offset benefit lands are to compensate for habitat lost during the construction of the mine. Monitoring the success of these areas and potential impacts to the bird species is conducted through three phases; visual monitoring, monitoring of habitat use in the offset benefit lands and monitoring or rehabilitation plans during mine closure. In 2015 monitoring of phase 1 and 2 were completed.
- Reduction of speed limits on the project to reduce vehicle collisions with birds
- Restricting habitat displacement for mine infrastructure to periods outside the breeding bird season (May 1 to August 15)

In order to track mortality New Gold has an on site reporting system for employees to report any road collisions with birds and wildlife. During 2015 there were no bird mortalities reported.

Further information related to the Species at Risk Monitoring Program and data collected in 2015 please refer to the 2015 Species at Risk Monitoring Report included in Appendix D of this document.

Condition 4.7

The Proponent shall monitor use of the tailings management area by migratory birds under condition 4.4 from the start of the operations phase to the end of the decommissioning phase.

Status: Not applicable at this time

Supporting Analysis:

During 2015 limited construction occurred on the Tailings Management Facility. In 2016 construction will commence on building the Tailings Management Facility and in mid 2017 tailings will be deposited into the containment. A plan to monitor migratory birds trying to use the tailings management facility and the effectiveness of the deterrents will be implemented in early 2017.

Condition 4.8

The Proponent shall monitor the effectiveness of the artificial nesting structures created for Barn Swallows (*Hirundo rustica*).

Status: Ongoing

Supporting Analysis:

During the 2015 breeding season, visual inspections were conducted on June 4 and June 25. A follow up inspection was conducted in August. Visual inspections were conducted by first monitoring the nesting structures from a distance to determine if barn swallows were flying in and out of the nesting structures. Then the boxes were approached quietly for an up close inspection to check for the presence of nests. It was reported during all visual observations that no barn swallows were using the nesting structures. In 2016 New Gold Environmental Staff will be using the Bird Studies Canada NestWatch protocol and intend to conduct inspections of the four nesting structures on a routine basis between May and early August. A location map of the nesting boxes and photographs can be found in Appendix D.

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Condition 5- Health of Aboriginal Peoples

Condition 5.1

The Proponent shall, during the construction, operations, and decommissioning phases of the Designated Project, control exceedances of the Canadian Ambient Air Quality Standards and meet air quality requirements established by Ontario at the nearest human receptor by:

Status: Ongoing

Supporting Analysis:

See supporting analysis outlined in Conditions 5.1.1 to 5.1.6

Condition 5.1.1

implementing fugitive dust best management practices;

Status: Ongoing

Supporting Analysis:

Fugitive dust is being managed during the construction phase in accordance with industry best management practices. Fugitive Dust Management Plans for the development and operations phases of the project have been developed in draft format with guidance from the Ontario Ministry of Environmental and Climate Change (MOECC). Final submission of these documents to MOECC will occur in the early part of 2016 as per requirements set out in the MOECC Construction and Operations Environmental Compliance Approvals for the Rainy River Project.

Condition 5.1.2

maintaining site roadways to control silt loading;

Status: Ongoing

Supporting Analysis:

Silt loading along roadways within the project footprint is currently being managed through the following methods:

- water application or calcium application when roads are dusty
- grading roadways
- application of road surfacing material (crushed aggregate) when necessary to reduce dust and silt migration during rainfall events
- installation of temporary erosion control products around streams and in drainage ditches where necessary.

Temporary erosion control products include; rock check dams, coir logs, silt fence, straw bales and vegetation application. Throughout the Spring and Fall rainy seasons New Gold obtained the assistance of Erosion Control Experts to identify problem areas and implement erosion control methods where necessary. It is the projects' intent to maintain this program in 2016.

Condition 5.1.3

using water sprays at the crusher and at active stockpiles;

Status: Ongoing

Supporting Analysis:

Water sprays have been utilized as required to control dust emissions.

Condition 5.1.4

using dust control equipment;

Status: Ongoing

Supporting Analysis:

During 2015 dust control equipment was primarily used on roads, equipment laydown areas and in on-site quarries. Equipment used included; water trucks and water bars. Additional mitigation was implemented by applying calcium to roads when necessary and enforcing reduced speeds on project roadways. As the project advances in 2016 the need for further dust suppression will occur in the open pit on mine haul roads and in areas where rock drilling is occurring.

Condition 5.1.5

using low-sulphur diesel equipment and using pollution control equipment on mobile heavy equipment and meeting the Canadian Environmental Protection Act for the emissions from this equipment and vehicles; and

Status: Ongoing

Supporting Analysis:

Low sulphur diesel equipment with applicable pollution control equipment have been used during 2015. All heavy equipment mobile vehicles manufactured after 2015 and used onsite, are equipped with environmental requirements as per the manufacturers' standards and applicable Ontario legislation.

Condition 5.1.6

revegetating disturbed areas in a manner that minimizes all exposed dust sources.

Status: Ongoing

Supporting Analysis:

2015 was only a partial year of construction. Areas are exposed to be developed. As a result, limited revegetation occurred during 2015; however, it is the standard practice at the RRP site to revegetate disturbed areas as soon as practical in order to control sediment release to runoff and air.

Condition 5.2

The Proponent shall monitor air quality to evaluate the effectiveness of mitigation measures under condition 5.1. Monitoring starts with construction and ceases at the commencement of the decommissioning phase.

Status: Ongoing

Supporting Analysis:

An air quality monitoring program was established during Q2 2015. Two air quality sampling stations were established in May 2015: one to the south of the site near the beginning of the Highway 600 reroute on Tait Road, and one to the east of the site on Gallinger Road. There were no measured exceedances of MOECC air quality standards, guidelines, or AAQCs, nor were there any exceedances of the Federal CAAQS for PM_{2.5} or other established criteria. All air quality parameters were well below corresponding limits. In August 2015 MOECC visited the two air quality stations to provide feedback on the installation methods. During that time the primary comment was the proximity of trees to the station on Tait Road. These trees were removed in the Fall of 2015. A map of the air quality monitoring stations as well as sample results can be found in Appendix E.

Condition 5.2.1

The Proponent shall alert the Aboriginal groups in cases of exceedances of the Canadian Ambient Air Quality Standards and air quality requirements established by Ontario at the nearest human receptor.

Status: Ongoing

Supporting Analysis:

There were no measured exceedances of Ministry of Environment and Climate Change air quality standards, guidelines, or AAQCs, nor were there any exceedances of the Federal CAAQS for PM_{2.5} or other established criteria. All air quality parameters were well below corresponding limits at the monitoring stations at the property boundary (and hence even more so at the nearest human receptor).

Condition 5.3

The Proponent shall monitor wells located within the open pit dewatering zone of influence, used by Aboriginal groups for drinking water, for water quality and quantity. Monitoring starts with construction and ceases after the first 10 years of the decommissioning phase.

Status: Ongoing

Supporting Analysis:

During 2015 the need to dewater in the open pit was not critical due to project status. Through the consultation phase New Gold has not been informed of the locations of any wells utilized by Aboriginal groups within the proximal of the zone of influence. The need to de-water the open pit will occur in 2016 and the current method to be used in the development phases will be temporary treatment ponds located within the Open Pit footprint. These treatment ponds are regulated by MOECC through the Construction Environmental Compliance Approval and a Permit to Take Water as well they will have a regulated discharge point through Environment Canada. A map of the Zone of Influence can be found in Appendix E.

Condition 5.3.1

The Proponent shall alert Aboriginal groups who use wells located within the open pit dewatering zone of influence for drinking water in cases of exceedance of water quality standards established by Ontario. The Proponent shall alert these Aboriginal groups as soon as possible once any exceedance is detected.

Status: Ongoing

Supporting Analysis:

To date New Gold has not been informed of an wells used by Aboriginal groups within the Open Pit zone of influence therefore the need to alert these groups is void (the Zone of Influence map is available in Appendix E). However, New Gold does have a ground water monitoring program that will be increased during 2016 which will include monitoring wells within the zone of influence.

Condition 5.4

The Proponent shall monitor key contaminants, including mercury, arsenic, cadmium and lead, for their concentrations in Northern Pike (*Esox lucius*) and Walleye (*Sander vitreus*) in the Pinewood River. Monitoring starts with construction and ceases 10 years after the start of the decommissioning phase.

Status: Ongoing

Supporting Analysis:

During the Fall of 2015 New Gold hired Minnow Environmental Inc. to conduct the fish tissue assessment throughout the Pinewood River downstream of the Rainy River Project extending to approximately 450m upstream of the confluence of the Rainy River. The focus of the study was to collect tissue samples from northern pike and walleye. Three tissue samples were collected from each fish; muscle and liver samples were collected to meet regulatory requirements while additional ovary tissues were samples (as available), as it has yet to be confirmed whether roe is regularly eaten from fish caught in the system. Each tissue sample was sent to a certified lab to characterize concentrations of contaminants of potential concern which include; arsenic, boron, cadmium, cobalt, copper, chromium, iron, lead, manganese, mercury, molybdenum, nickel, selenium and zinc. In 2015 there was no discharge of water directly to the Pinewood River therefore all monitoring is providing baseline data prior to the implementation of the Pinewood River Pumphouse and Constructed Wetland Systems. Results obtained from the study indicated; fish communities are consistent with results from previous sampling efforts, muscle, liver and ovary tissue samples contained metals with established tolerable daily intake values and average mercury values were below the human consumption benchmark however in individual samples it was concluded that mercury in northern pike occurs at concentrations above consumption benchmarks in larger fish (greater than 55cm in length). These values are consistent with previous baseline values. Mercury concentrations in fish muscle tissue is found to often occur naturally in northern environments and do not indicate that that project has influenced fish tissue quality. Further sampling results and data can be found in the 2015 Fish Tissue Monitoring Program Report attached in Appendix E of this document. Further studies will be conducted in 2016.

Condition 5.4.1

The Proponent shall alert the Aboriginal groups in cases of exceedance of provincial, federal or international health-based criteria. The Proponent shall alert these Aboriginal groups as soon as possible once any exceedance is detected.

Status: Ongoing

Supporting Analysis:

There were no cases of exceedances of provincial, federal or international health-based criteria.

Condition 5.5

The proponent shall consult with the Aboriginal groups on the implementation of conditions 5.2, 5.3 and 5.4.

Status: Ongoing

Supporting Analysis:

There was no information indicating exceedances of health-based criteria occurred in 2015, and accordingly, no related consultation occurred.

5.2 - Air quality monitoring was initiated in 2015; there were no measured exceedances of the Federal CAAQS for PM2.5 or other established criteria.

5.3 - Mine dewatering did not commence in 2015.

5.4 -Monitoring was initiated in 2015 although reporting was not complete in 2015.

Project Name: Rainy River Project
Proponent: New Gold Inc.
Decision Statement Issued: 1/12/2015
CEARIS Ref. Number: 80007
Reporting Period: 2015

Condition 6- Current use of lands and resources for traditional purposes

Condition 6.1

The Proponent shall provide access to private lands to Aboriginal groups for their current use of land, including hunting and plant harvesting.

Status: Ongoing

Supporting Analysis:

New Gold provides access when it is safe to do so. In June 2015, a community member came on site to practice ceremony. In July, 2015 a community member came on site to look for a medicine as a result of a dream.

Condition 6.2

The Proponent shall avoid use of herbicides along the transmission line corridor unless required to prevent fire hazards. The Proponent shall minimize the removal of non-woody vegetation within the transmission line corridor.

Status: Ongoing

Supporting Analysis:

During the spring and summer of 2014 rare plant surveys were conducted along portions of the proposed transmission line corridor prior to approvals being granted for the construction. Construction of the line started in the late fall of 2015 following frost to limit the impact to non-woody vegetation and birds. All access to the right of way was provided by existing infrastructure (some requiring upgrades). Construction completion of the hydro line is scheduled for March 2016. There is no plan to use herbicides as a vegetation control method at any time on the project.

Condition 6.3

The Proponent shall, throughout all phases of the Designated Project, undertake progressive habitat restoration as per any requirements set by Ontario in the Mine Closure Plan for the Designated Project. Habitat restoration shall include:

Status: Not applicable at this time

Supporting Analysis:

Refer to supporting analysis in conditions 6.3.1 to 6.3.2

Condition 6.3.1

a consideration of habitat types that support a diversity of wildlife species and traditional uses by Aboriginal peoples, including ungulates and furbearers, as well as native plant species previously collected at the Project Site for food and medicinal purposes; and

Status: Not applicable at this time

Supporting Analysis:

Habitat restoration was not initiated in 2015 as this was the first year of construction. We anticipate habitat restoration will be initiated in 2016 and going forward.

Condition 6.3.2

separating and stockpiling removed organic rich material during construction (of open pit and during tailings dam stripping) for use to support revegetation and other reclamation activities.

Status: Ongoing

Supporting Analysis:

During the construction phase topsoil is stripped and salvaged to be used for future reclamation where topsoil is present or of sufficient quality. In 2016 as the project advances efforts to salvage larger areas of topsoil in the Tailings Management Area and Open Pit will be implemented. A topsoil stockpile map can be found in Appendix F.

Condition 6.4

The Proponent shall monitor habitat restoration to verify the success of revegetation efforts. Monitoring starts with construction and ends once habitat has been restored and proven effective.

Status: Not applicable at this time

Supporting Analysis:

During 2015 New Gold hired the assistance of a qualified Sediment Erosion Control Specialist to assist with temporary and permanent erosion control measures as well as revegetation efforts. To date no projects have been completed that allow for revegetation efforts. As the project advances toward operations there will be more opportunity for revegetation efforts and monitoring programs in 2016.

Condition 6.5

The Proponent shall restore access to the Project Site for the Aboriginal groups during the decommissioning phase, to the extent that such access is safe, for their traditional purposes.

Status: Not applicable at this time

Supporting Analysis:

This condition is not relevant to the construction phase.

Condition 6.6

The proponent shall consult with the Aboriginal groups on the implementation of conditions 6.1, 6.4 and 6.5.

Status: Ongoing

Supporting Analysis:

6.1. Through negotiated agreements and on-going discussions with communities where there is not an agreement yet in place, New Gold has has numerous discussions on access.

6.4 While construction was initiated in 2015, revegetation efforts were limited to grass and fielded areas for erosion control and not habitat restoration. Therefore, no consultation was undertaken.

6.5 Not applicable during the construction phase.

Project Name: Rainy River Project
Proponent: New Gold Inc.
Decision Statement Issued: 1/12/2015
CEARIS Ref. Number: 80007
Reporting Period: 2015

Condition 7- Aboriginal archaeological, heritage and cultural resources

Condition 7.1.1

[The Proponent shall, for all phases of the Designated Project:]

avoid known culturally significant sites;

Status: Completed

Supporting Analysis:

No culturally significant sites were disturbed in 2015.

Condition 7.1.2

assess additional culturally significant sites, if discovered;

Status: Completed

Supporting Analysis:

No additional culturally significant sites were identified during 2015.

Condition 7.1.3

establish a procedure for Aboriginal groups to safely access the Project Site for cultural and ceremonial purposes;

Status: Completed

Supporting Analysis:

A formal procedure was identified in Section 4.0 of the Aboriginal Aboriginal Consultation Plan (Provincial Environmental Assessment, Notice of Approval Condition 9).

Condition 7.1.4

preserve any discovered burial sites;

Status: Not applicable at this time

Supporting Analysis:

No burial sites were discovered or disturbed during 2015.

Condition 7.1.5

salvage and preserve any artifacts that cannot be maintained in-situ; and

Status: Completed

Supporting Analysis:

New Gold had archaeologists on site to excavate artifacts as per Provincial Standards and Guidelines. All excavations were on previously identified archaeological sites; no excavations were considered salvage sites. The archaeologists currently hold the artifacts and will make arrangements to transfer the artifacts to appropriate facilities upon consultation with Aboriginal people.

Condition 7.1.6

transfer artifacts in condition 7.1.5 to a facility identified by Aboriginal groups, in consultation with the Ontario Ministry of Tourism, Culture and Sport.

Status: Ongoing

Supporting Analysis:

Artifacts will be transferred from the archaeologist once the reports for MTCS are complete and consultation with Aboriginal groups regarding the artifacts is complete.

Condition 7.2

The proponent shall consult with the Aboriginal groups on the implementation of condition 7.1.

Status: Ongoing

Supporting Analysis:

Consultation on cultural sites has been ongoing since 2012. New Gold, as part of the EA process, worked with communities on gathering traditional knowledge. New Gold also hired cultural resource professionals to conduct built heritage studies and archaeological studies at the site. These reports are published on www.NewGold.com as part of the Rainy River Project Environmental Assessment. New Gold also supported traditional knowledge work with communities, of which New Gold does not own this data and it is not published. As there were no new sites identified in 2015, no new assessments were completed.

Project Name: Rainy River Project
Proponent: New Gold Inc.
Decision Statement Issued: 1/12/2015
CEARIS Ref. Number: 80007
Reporting Period: 2015

Condition 8- Subsection 5(2) effects related to components of the Designated Project that may be associated with federal authorizations

Condition 8.1.1

[The proponent shall, in implementing condition 3.7, take measures to avoid or lessen adverse effects:]
on migratory birds and their habitats;

Status: Ongoing

Supporting Analysis:

Completed to date. 2015 was only a partial year of construction although establishment of compensation-related habitat has been initiated. New Gold is aware and has taken extra care during the construction phase with regards to the potential for effects on migratory birds during nesting periods, in accordance with the nesting timing directed by the local Ministry of Natural Resources and Forestry office.

Condition 8.1.2

on terrestrial species, including amphibians and reptiles, and their habitats;

Status: Ongoing

Supporting Analysis:

Completed to date. 2015 was only a partial year of construction although establishment of compensation-related habitat has been initiated. New Gold is aware and has taken care during the construction phase with regards to the potential for effects on terrestrial species and their habitats, consistent with the proposed mitigation measures described in the EIS.

Condition 8.1.3

on species at risk and their habitats;

Status: Ongoing

Supporting Analysis:

Completed to date. 2015 was only a partial year of construction although establishment of compensation-related habitat has been initiated. New Gold has taken extra care during the construction phase with regards to the potential for effects Species at Risk and their habitats, including completing activities in compliance with the Provincial Endangered Species Act permit.

Condition 8.1.4

on current use of lands and resources for traditional purposes by Aboriginal peoples;

Status: Ongoing

Supporting Analysis:

The construction which occurred during 2015 related to compensation-related habitat was consistent with the EIS and detailed project designs, which fully considered available Traditional Knowledge and New Gold's understanding of traditional uses of local lands by local Aboriginal peoples.

Condition 8.1.5

on sites of cultural significance to Aboriginal peoples; and

Status: Ongoing

Supporting Analysis:

Establishment of compensation-related habitat initiated during 2015 did not impinge on any identified sites of cultural significance to Aboriginal peoples.

Condition 8.1.6

from potential sources of contamination (e.g. mercury, arsenic, cadmium and lead).

Status: Ongoing

Supporting Analysis:

Completed to date. Establishment of compensation-related habitat was initiated during 2015. There is no expectation that the compensation-related habitat will result in a potential source of contamination.

Condition 8.2

The Proponent shall, in implementing condition 6.3, take into consideration the habitat needs of species at risk consistent with final recovery strategies or action plans, or alternatively, rely on best available information where recovery plans or action plans for the species are not yet completed for the species at risk.

Status: Ongoing

Supporting Analysis:

No progressive habitat restoration has been completed to date as 2015 was only a partial year of construction. New Gold considered Species at Risk and the potential for habitat creation in site restoration activities to date, including in accordance with their Provincial Endangered Species Act permit. As part of the 2015 Species at Risk Monitoring Program, AMEC Foster Wheeler reviewed the areas of none sightings of Bobolink and Eastern-whip-poor-will to conduct a desk top study on soil conditions and vegetation types in preferred habitats. This information as well as information collected in future years will be used to assist in planning appropriate rehabilitation for Species at Risk bird species. For additional information related to this study refer to the 2015 Species at Risk Monitoring Report found in Appendix H of this document.

Condition 8.3

The Proponent shall provide about 1400 hectares of private land as habitat for Eastern Whip-poor-will (*Antrostomus vociferous*) and Bobolink (*Dolichonyx oryzivorus*).

Status: Completed

Supporting Analysis:

Prior to project development the Ministry of Natural Resources and Forestry (MNRF) determined that 18 identified Eastern Whip-poor-will breeding territories could potentially be affected by the projects development and that 348 ha of Bobolink habitat had the potential to be impacted by the project. Based on this information to offset the loss of habitat New Gold obtained 1468.3 ha of lands to provide Eastern Whip-poor-will breeding territories and 348 ha of field habitat suitable for Bobolink breeding habitat.

Condition 8.4

The Proponent shall monitor the effectiveness of the habitat in condition 8.3.

Status: Ongoing

Supporting Analysis:

Monitoring the success of these areas and potential impacts to the bird species is conducted through three phases; visual monitoring, monitoring of habitat use in the offset benefit lands (OB Lands) and monitoring or rehabilitation plans during mine closure. In 2015 monitoring of phase 1 and 2 were completed. Based on field research conducted it was determined that 22 Whip-Poor-Wills were utilizing the OB lands in 2015 and that 96 Bobolink were utilizing two of the four OB lands. For detailed information related to the 2015 study refer to the 2015 Species at Risk Monitoring Report included in Appendix H of this document.

Condition 8.5.1

[The Proponent shall:]

maintain a fence around the tailings management area to prevent access by wildlife; and

Status: Not applicable at this time

Supporting Analysis:

This condition is not relevant to 2015 as the intent of this condition based on other communications, was to avoid potential wildlife interactions with the tailings and supernatant liquid, as no tailings have been produced or stored to date. There was no fence in place during 2015. During the construction phase of the Tailings Management Facility in 2016 advancements will be made regarding the installation of fencing around the perimeter of the facility in preparation for tailings storage in mid 2017.

Condition 8.5.2

implement measures to prevent Snapping Turtles (Chelydra serpentine) from entering the following components of the Designated Project:

tailings management area;

water management pond;

water discharge pond;

constructed wetland;

overburden pile;

west mine rock pile; and

sediment ponds 1 & 2.

Status: Not applicable at this time

Supporting Analysis:

Tailings Management Area: Agreed. This condition is not relevant to the construction phase as the intent of this conditions based on other communications, was to avoid potential Snapping Turtle interactions with the tailings and supernatant liquid, as no tailings have been produced or stored to date. Similarly, no contact water has been discharged to the area. No mitigation measures were in place during 2015. Construction is scheduled for 2016.

Water Management Pond: This condition is not relevant for 2015 as the Water Management Pond has not as yet been constructed. No contact water has been discharged to the area. Construction completion is scheduled for 2016.

Water Discharge Pond: This condition is not relevant for 2015 as the Water Discharge Pond has not as yet been constructed. No contact water has been discharged to the area. Construction is scheduled for 2017.

Constructed Wetland: This condition is not relevant for 2015 as the Constructed Wetland has not as yet been constructed. No contact water has been discharged to the area. Construction is scheduled for 2017.

Overburden Pile: This condition is not relevant for 2015 as the Overburden Stockpile will not be constructed until 2016

West Mine Rock Pond: This condition is not relevant for 2015 as the West Mine Rock Stockpile will not be constructed until 2016

Sediment Ponds 1 and 2: This condition is not relevant for 2015 as Sediment Ponds 1 and 2 will not be constructed until 2016