

Appendix 4-QQ

Water Quality Meeting -
October 2021



Crown Mountain Coking Coal Project

Water Quality Discussion

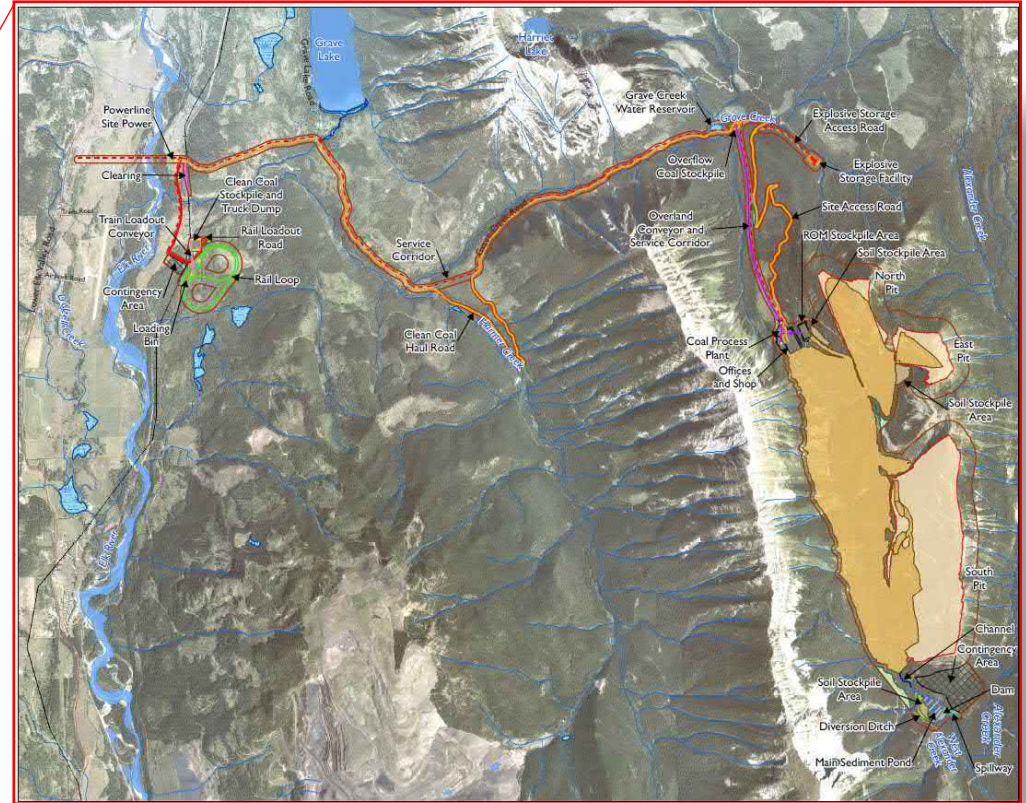
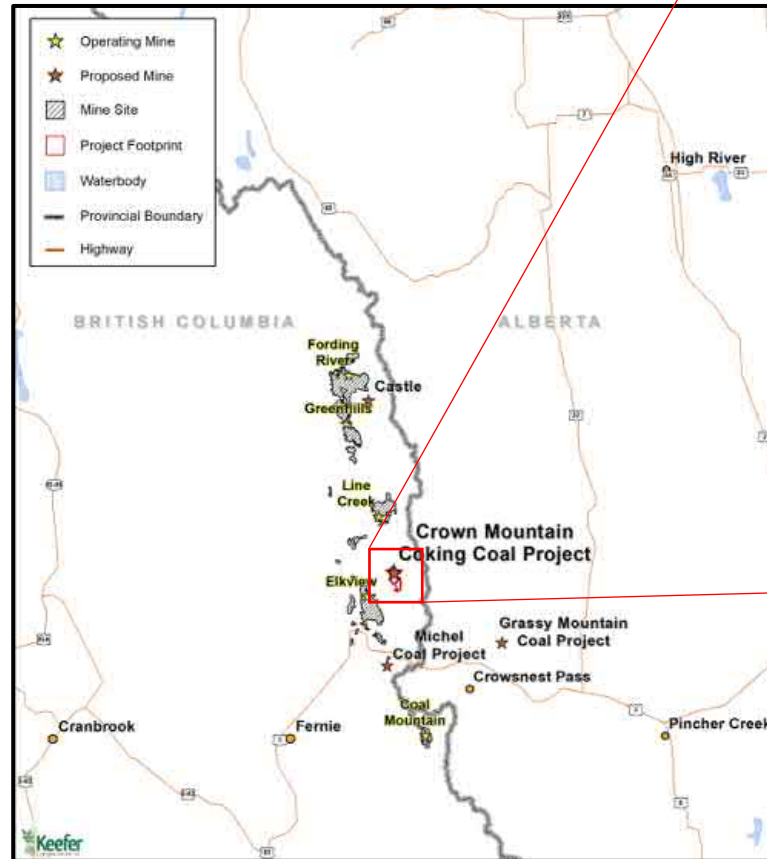
October 14, 2021



Agenda

- Roll Call
- Purpose of the Meeting
- Water management overview - passive and active,
- Water Quality Mitigation Approach, Proof of Concept and Efficacy
Uncertainty
- EA Application information describing proposed approach and mitigation strategies
- Summary of Water Quality Impacts
- Contingencies
- Questions

The Project: Location and Layout



Purpose and Goals of the Layer Cake Approach

- Sustainable approach to selenium treatment
- In-situ treatment of selenium and nitrate
 - Control oxygen, moisture, lithology (carbon) to affect reduction
 - Integrate controls into mine design
 - Saturated fills with management of flow, carbon and nutrients
 - Interbedded Coal Reject/tails with waste rock



SAPSM, 2010

Layer Cake Test Work

Lab Project Objectives:

- Characterize progressive consumption of oxygen by biotic and abiotic activity
- Create suboxic conditions needed for nitrate and selenium reduction
- Generate oxygen, nitrate, and selenium reduction rates for use in Layer Cake design

Parameters Tested

ROM Waste

3% Coal Reject

10% Coal Reject

100% Coal Reject

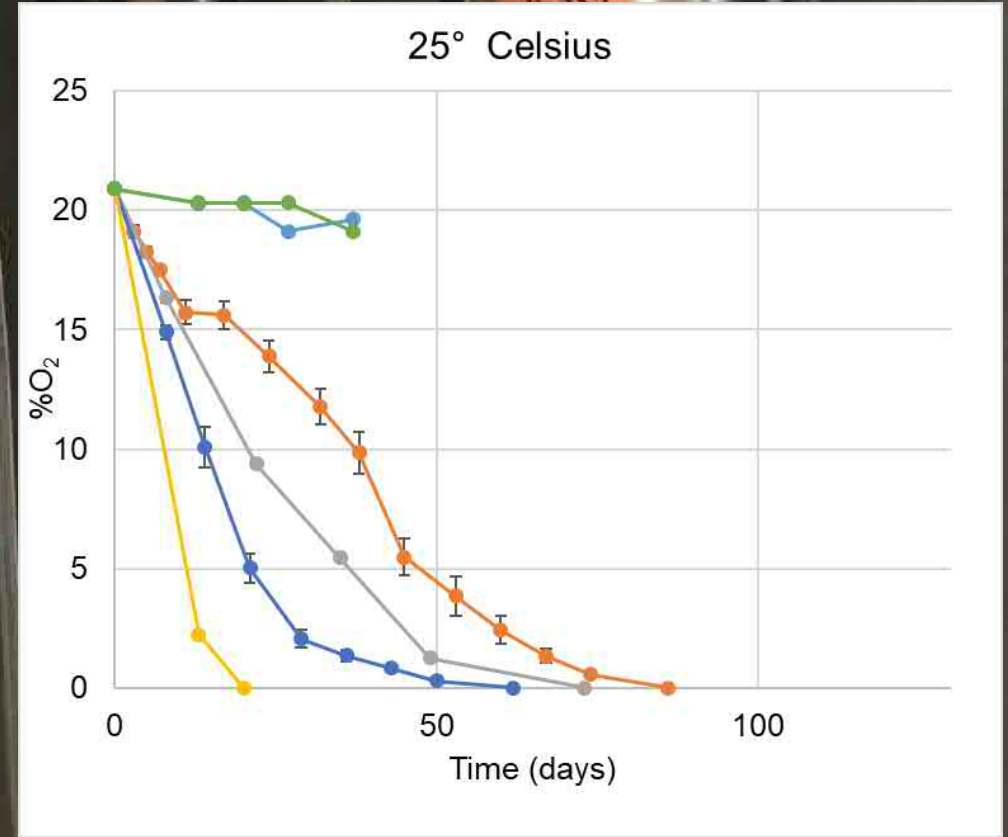
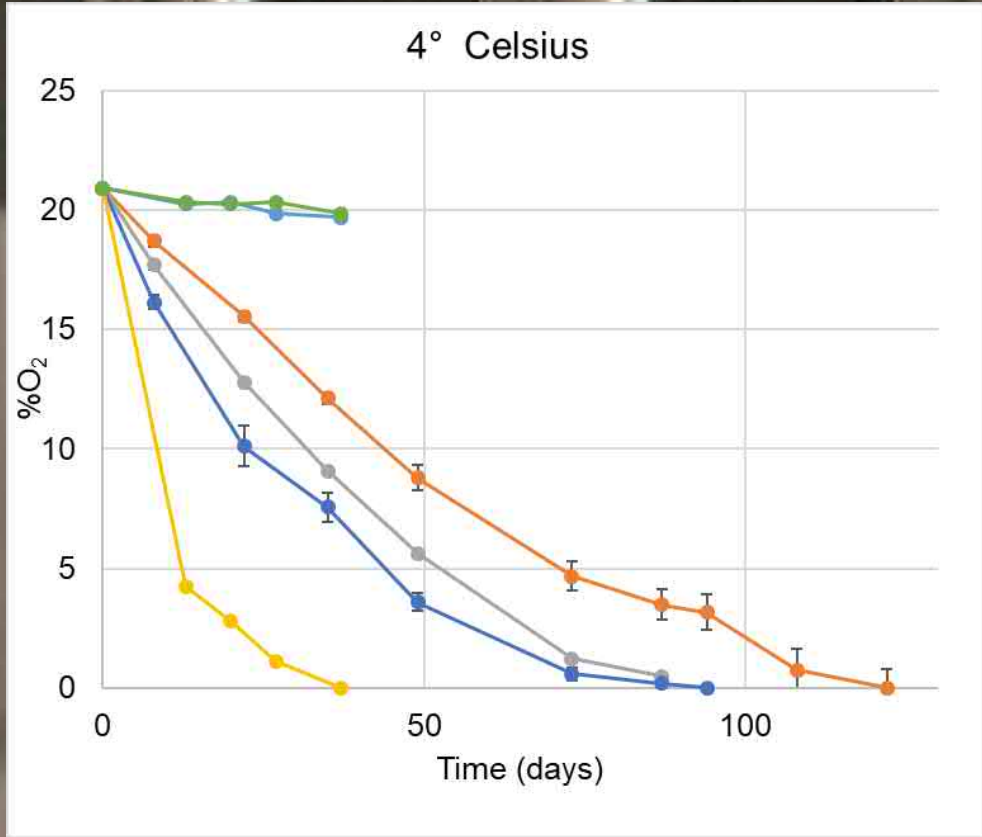
CR Control

CR Control

At 4°C,
10°C, 25°C



Respirometry Results



- ROM Waste
- 3% CR
- 10% CR
- 100% CR
- WR Killed Control
- CR Killed Control

Conclusions

- Microbes in coal reject and waste material are capable of nitrate and selenium removal
- Oxygen concentration affects rates and extent of denitrification and selenium reduction.
- Oxygen consumption rates are much higher than previously reported, based on abiotic sulfide oxidation
- O₂, nitrate, and selenium reduction rates can be applied to pilot and full-scale dump design for full-scale testing.
- Updated modeling results support pilot testing – reduced time to develop suboxic conditions from years to months.

Design Approach

Use the process plant coarse and fine tailings as a carbon source and to reduce oxygen levels waste rock

Incorporate layers of coarse and fine tailings in the spoil pile design

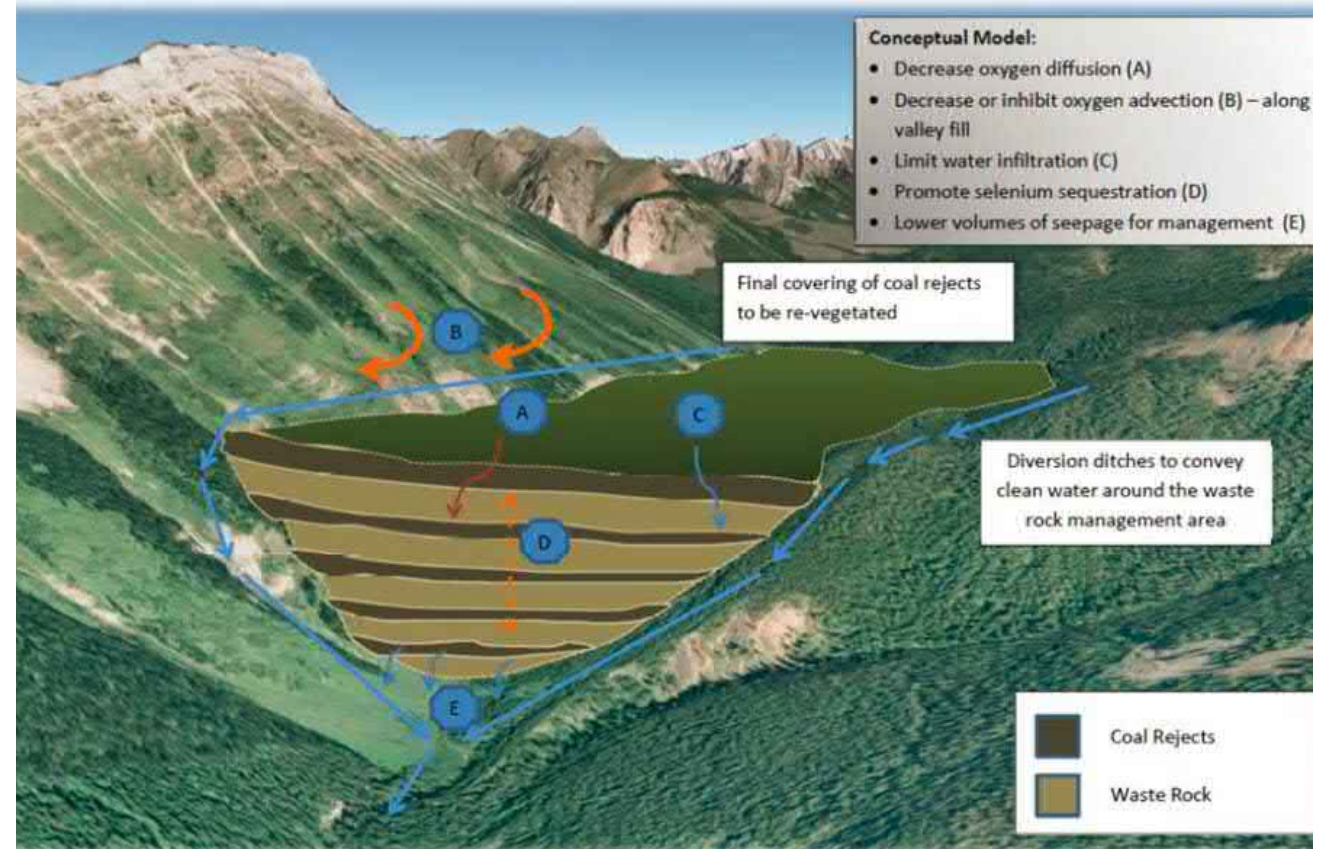
Geotechnical considerations included in the design:

- 50m maximum height of waste rock dumps

- Multiple dump locations with sufficient offset for run-out/roll out protection

Mine Plan to Support the Sequence

Waste Rock Management: Layered Approach



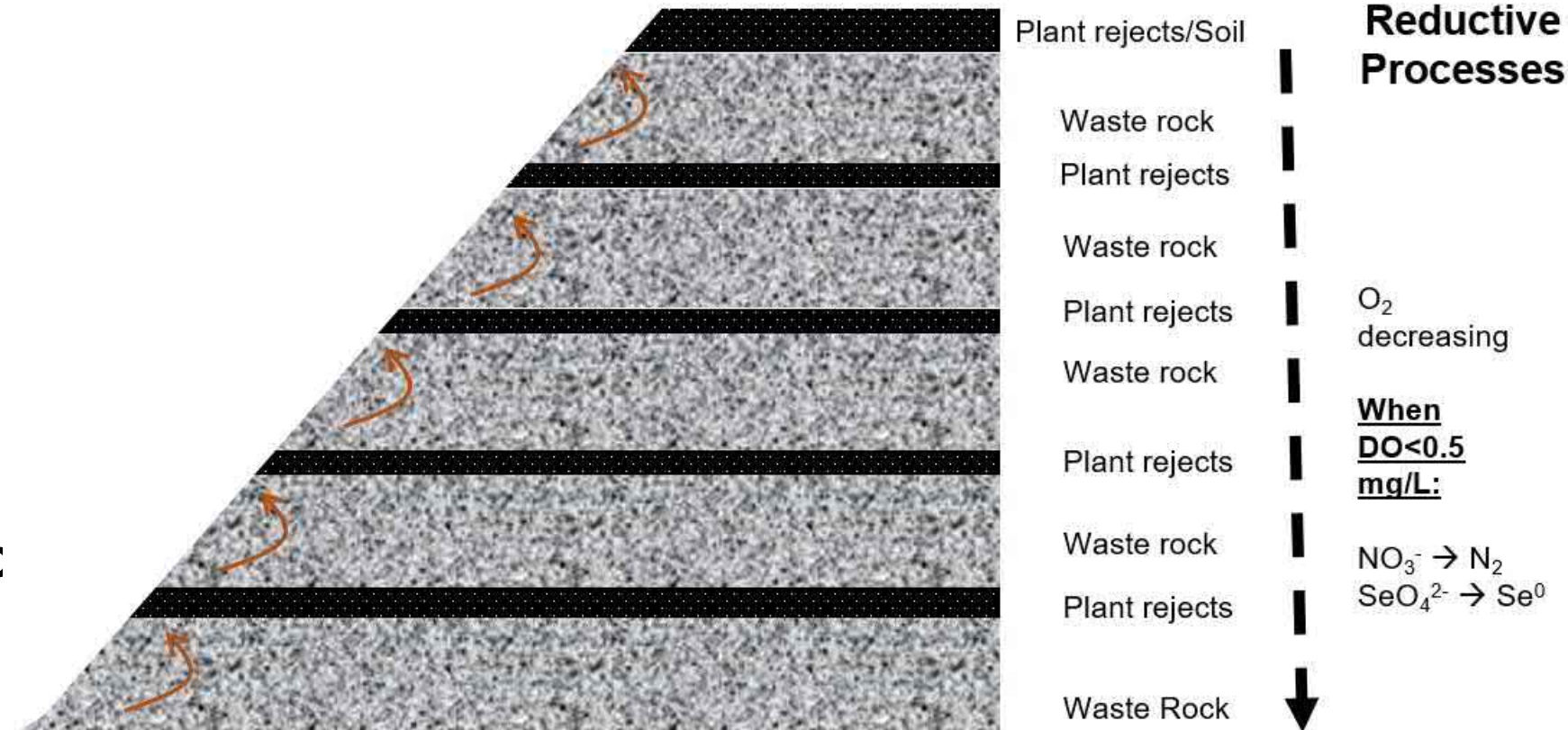
Conceptual Model For Se and NO₃ Attenuation in the Layered Spoil

Expected role of plant refuse layers:

- Retain moisture retarding oxygen transport.
- Generate dissolved organic carbon.
- Provide sub-oxic zones where reductive processes could occur.

Oxygen movement internally by diffusion and advection.

Convection in exposed faces.



Material Properties

- Waste Rock – standard blasted rock consistent with other Elk Valley coal mines in size and consistency
- Plant Rejects – a combined coarse coal reject and fine coal rejects (tailings) material
- Soil – salvaged soil from site

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7
ROMt Coal	0.5	3.5	3.8	3.7	3.8	3.7	3.7	3.9
Waste Rock (Placed Mm ^{3*})	2.7	15.5	21.2	19	22.8	23.4	23.5	23.1
Rejects (Placed Mm ^{3**})	0.15	0.97	1.20	1.24	1.3	1.09	1.03	1.14
Ratio WR:Rejects	18.3	16.0	17.6	15.3	17.6	21.5	22.8	20.3
	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15
ROMt Coal	3.8	3.8	3.8	3.8	3.7	3.7	3.8	2.2
Waste Rock (Placed Mm ^{3*})	23.3	23.1	30.7	31.3	31	23.8	23.8	12.8
Rejects (Placed Mm ^{3**})	1.03	1.02	1.08	1.05	1.04	1.02	1.21	0.41
Ratio WR:Rejects	22.6	22.7	28.5	29.7	30.0	23.2	19.6	31.1

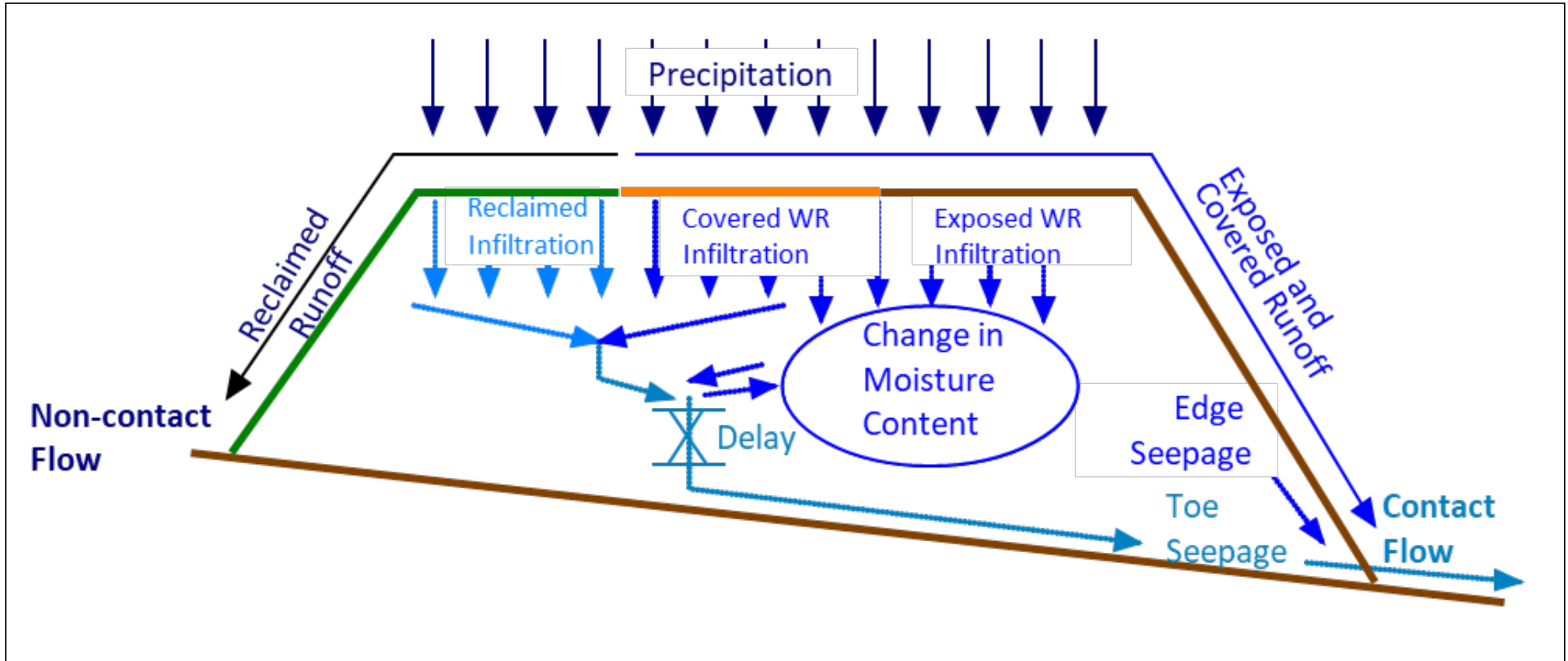
* estimated 30% swell factor

** estimated placed density of 1.4t/m³

Waste Rock Dump Modeling Methodology Implementation in GoldSim

- Differentiate between hydrologic performance of different surfaces
 - Exposed Waste Rock: Low Runoff, High Infiltration
 - Covered Waste Rock: Moderate Runoff, Moderate Infiltration
 - Reclaimed Waste Rock: High Runoff, Low Infiltration
- Some infiltration into the waste rock assumed to short circuit majority of waste rock and will report to toe essentially immediately
- Remainder of Infiltration into the waste rock will be lagged and attenuated before it reports to the toe as seepage
 - Velocity based on unsaturated flow equations, using calculated average moisture content in waste rock profile
 - Travel time based on average velocity and waste rock thickness
- Calibrated to Hydrus 1D unsaturated flow modeling

Waste Rock Dump Implementation Schematic



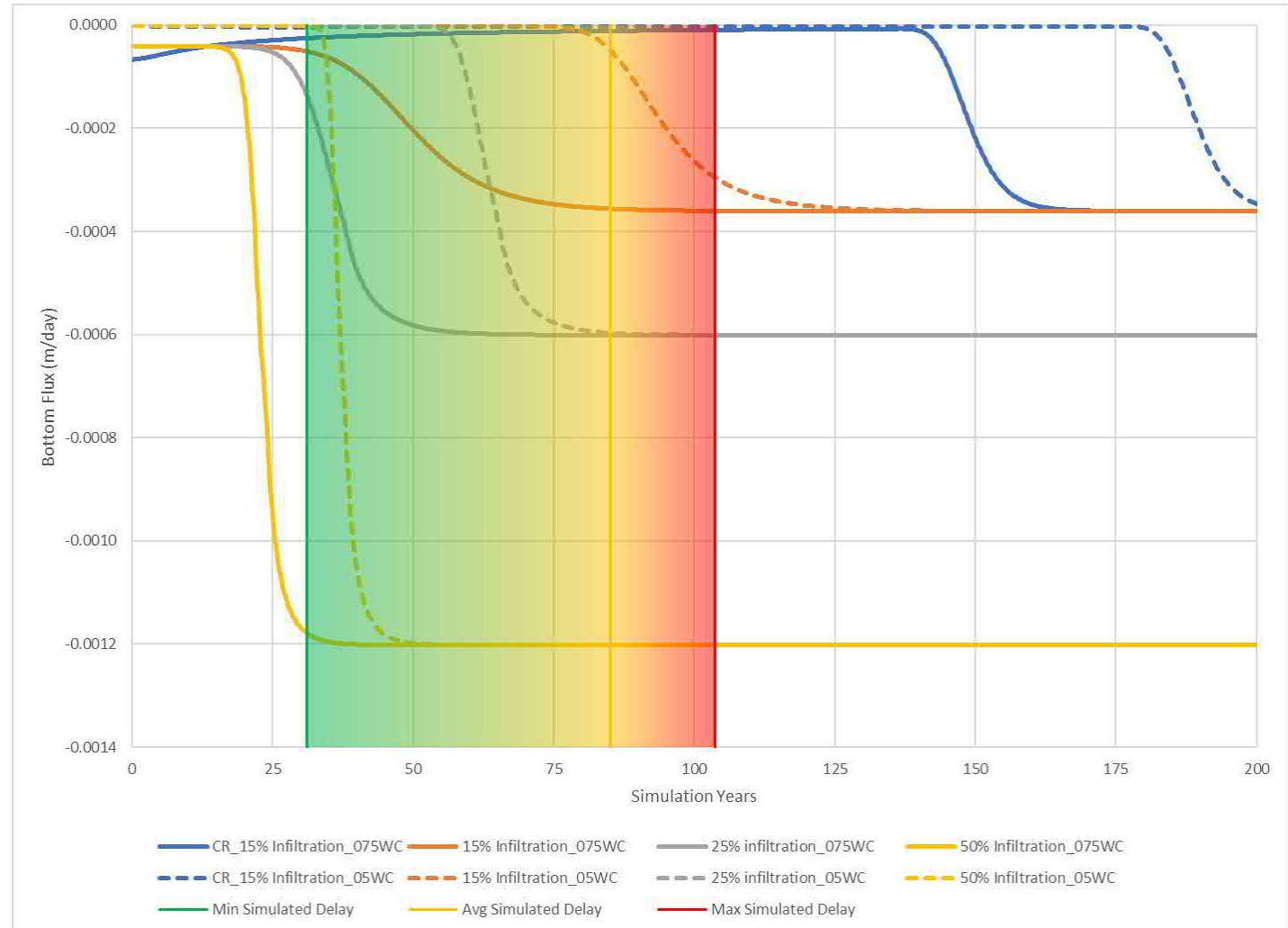
Simulation of flow through the WRD in the Goldsim Model

Flow velocity based on approximation of unsaturated flow behavior

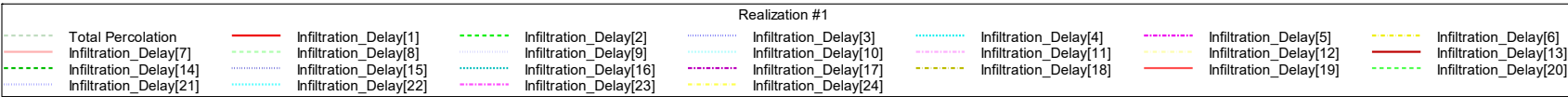
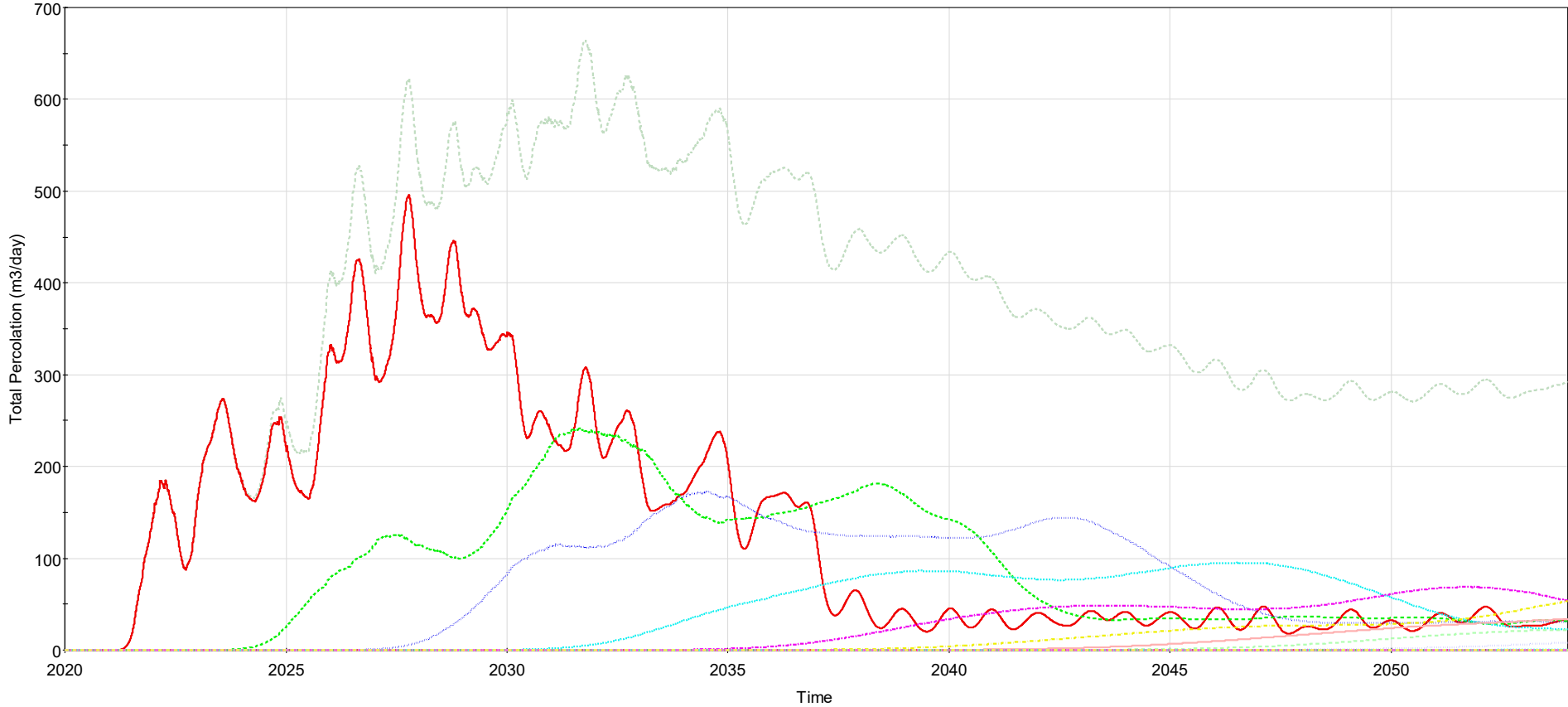
Simulated Travel times for percolation of water through the WRD falls in line with HYDRUS 1D modeling results

Dashed line shows Waste at 5% moisture content

Solid Line shows Waste at 7.5% moisture content



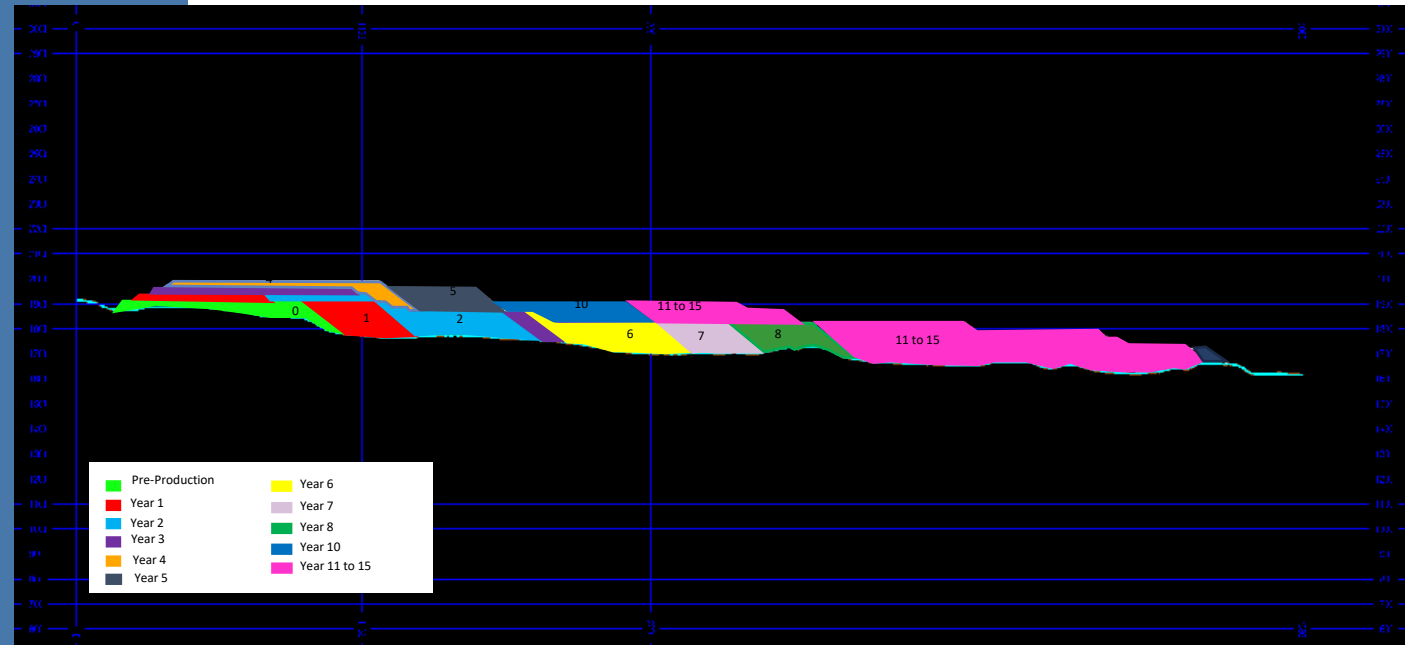
Delayed Percolation



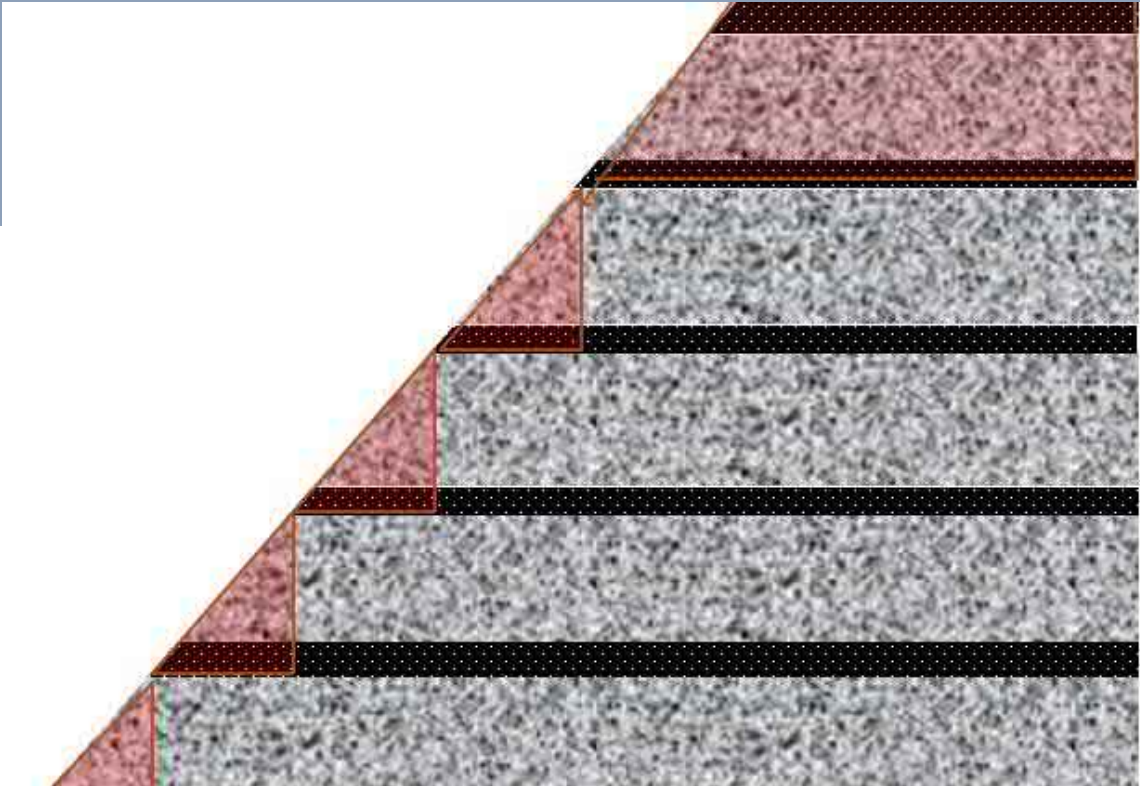
Hydrologic Simulation of WRD

- MRSF split into three Sections:
 - Exposed Waste Rock
 - Covered Waste Rock
 - Covered with Process Rejects
 - Reclaimed Waste Rock
 - Resloped and vegetated cover
- Areas and MRSF thickness extracted from annual mine planning drawings

Parameter	Exposed Waste Rock	Covered Waste Rock	Reclaimed Waste Rock
SCS CN	77	86	91
Infiltration (%)	50	15	5
Short Circuit (%)	5	3	1

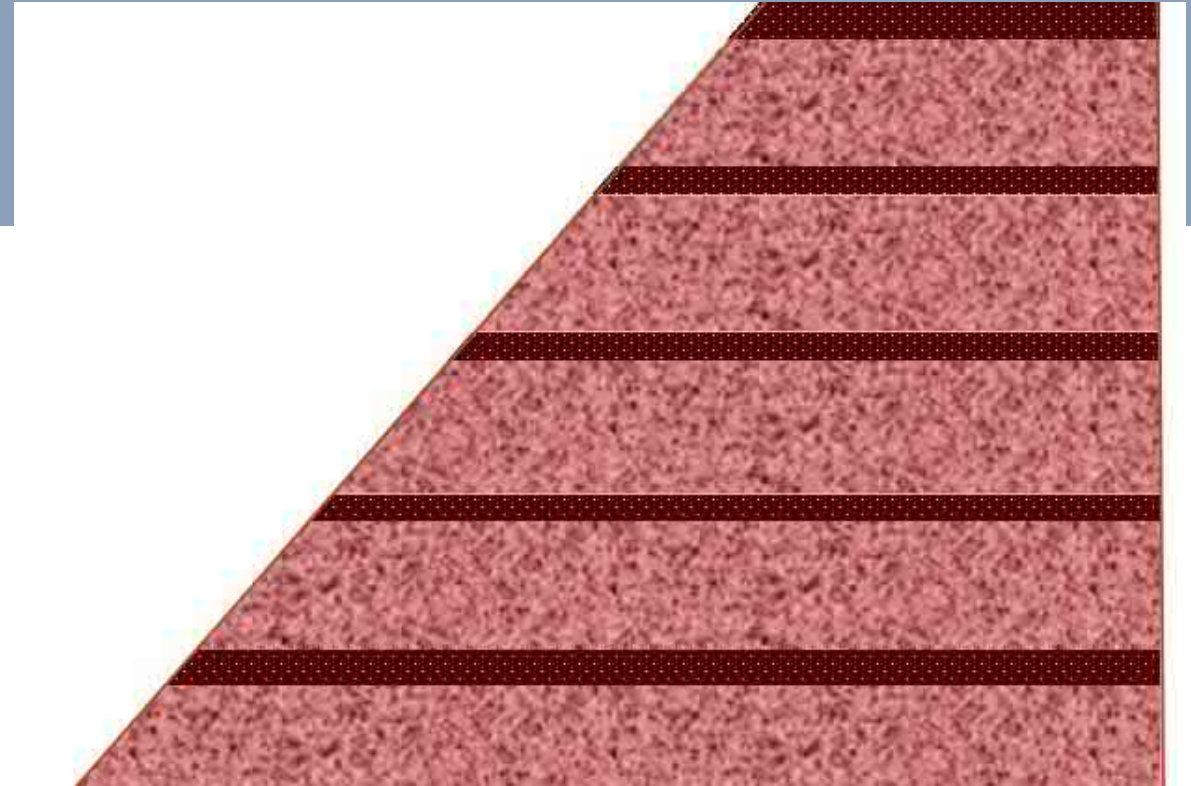


Source Term Cases - Waste Rock



Successful Development of Low O2 Conditions.

- O2 is unlimited oxidant on the exposed slopes and top lift
- Sub-oxic conditions through-out the rest of MRSF



Layering System Fails to Develop Low O2 Conditions

- O2 is unlimited oxidant in the entire spoil

Selection of WQ Results

The GoldSim model calculates water quality projections at 17 locations within the model, including Pits, WRD, ponds, and confluences

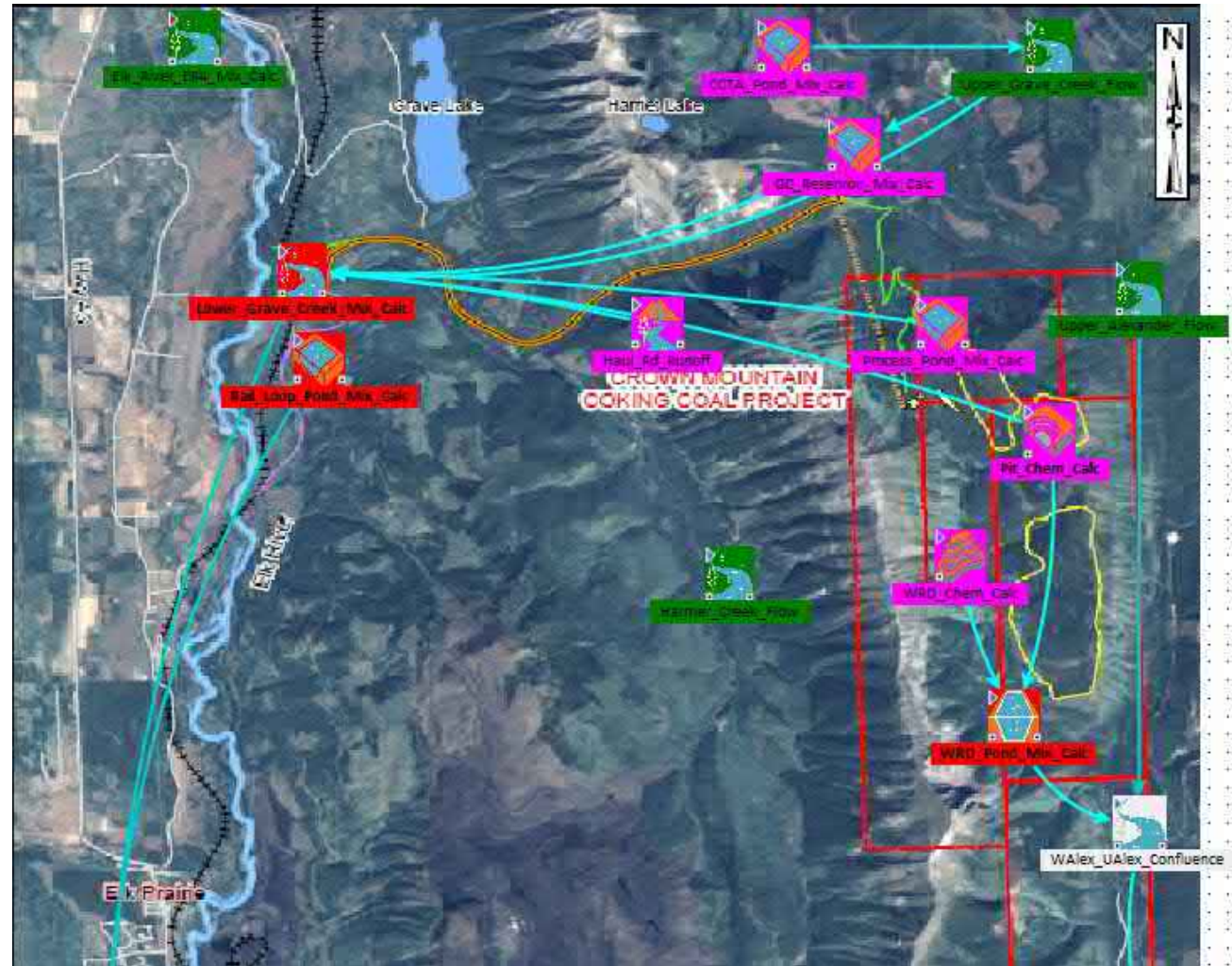
Chemistry for all 43 chemical constituents (“species” in GoldSim) tracked by the model at each node is available


3 key species selected to indicate performance (Se, NO₃, SO₄)

Model was run for 4 Scenarios

- Average (P₅₀) and Upper case (P₉₅) Source Terms

- Successful and Failed WRD layered system





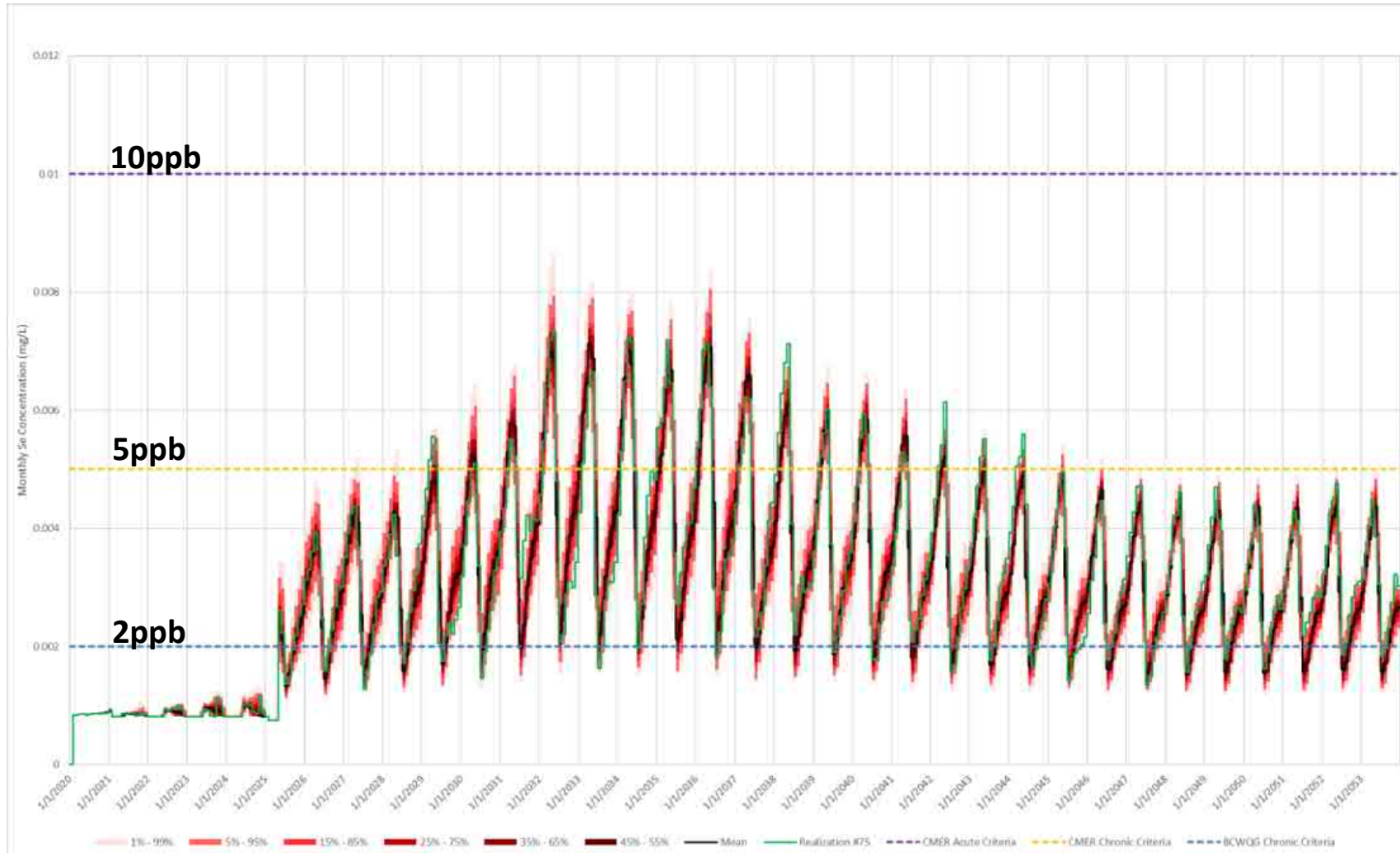
West & Upper Alexander
Creek WQ Node

The image is a topographic map of a watershed area. The terrain is color-coded by elevation, with darker green and brown areas representing higher elevations and lighter green areas representing lower elevations. A network of blue lines represents the stream network. A specific confluence point is highlighted with a pink star and labeled 'West & Upper Alexander Creek WQ Node'. A white box with a black border contains the text 'West & Upper Alexander Creek WQ Node' with an arrow pointing to the pink star. Several colored lines (yellow, red, white, blue) trace paths across the map, likely representing different water quality nodes or monitoring points.

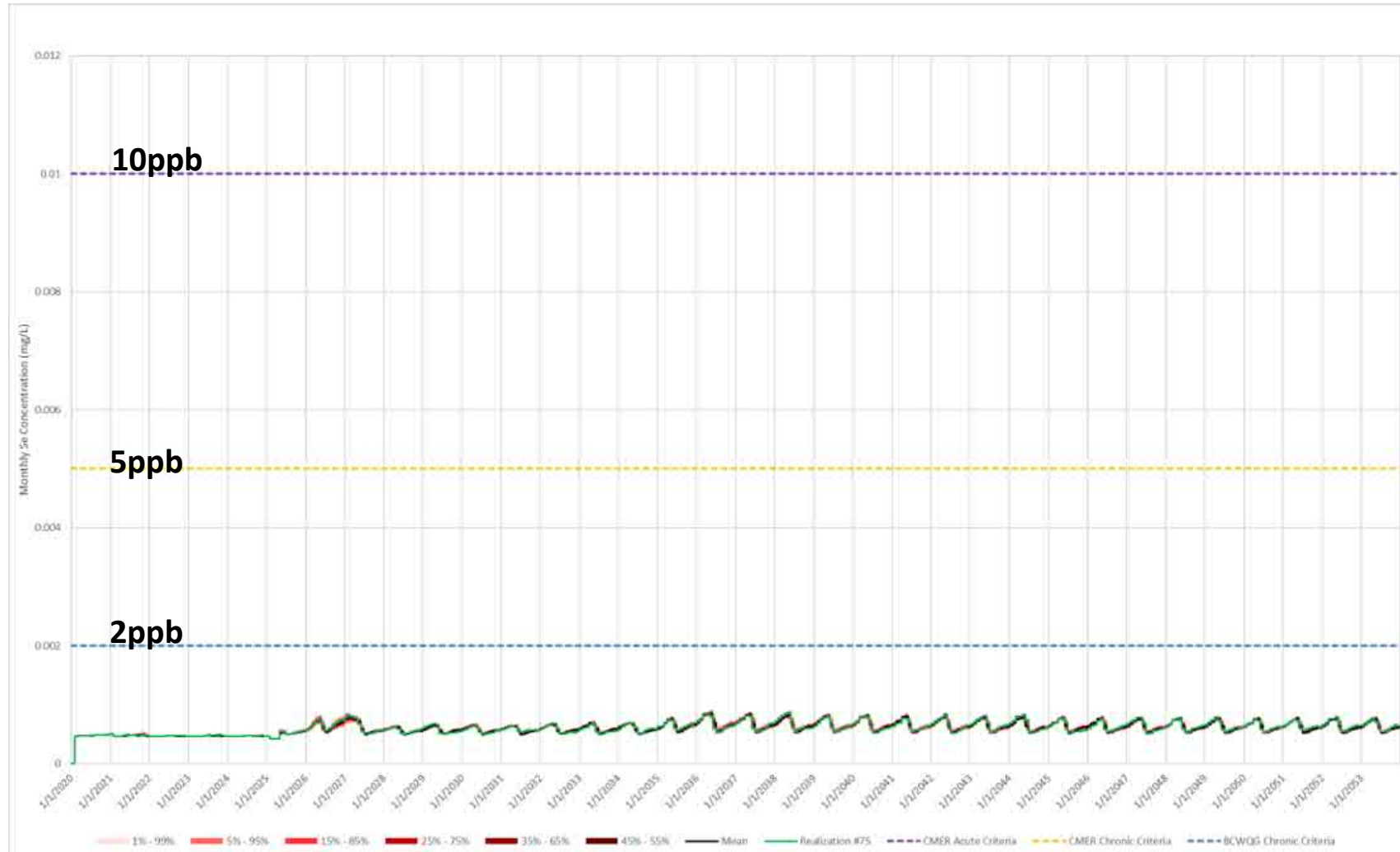
Selenium WQ Results Confluence of W. Alexander Ck. and Upper Alexander Ck.

Results for all 17 nodes and all 43 species available but not presented for the sake of brevity

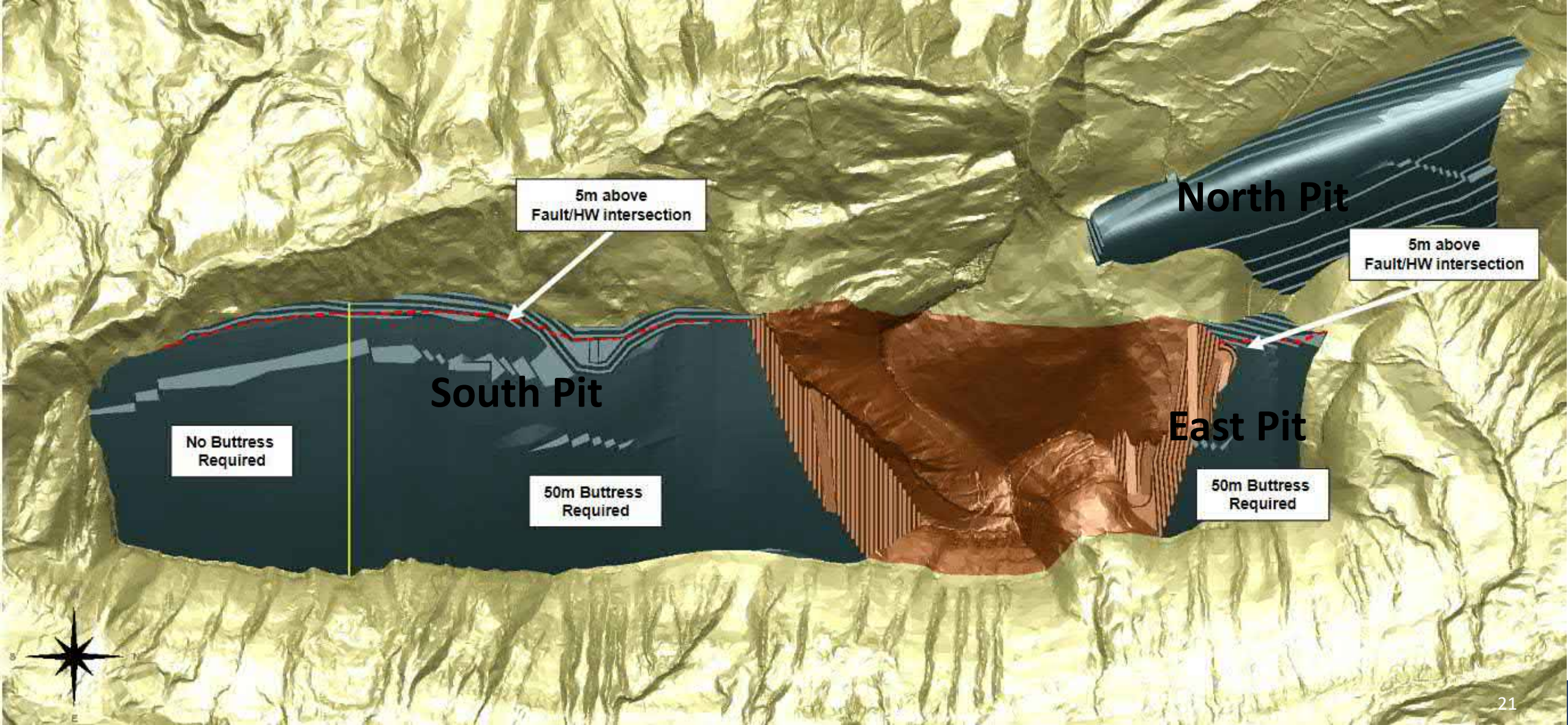
Upper Case (P_{95}) and Layer Approach Fails Selenium



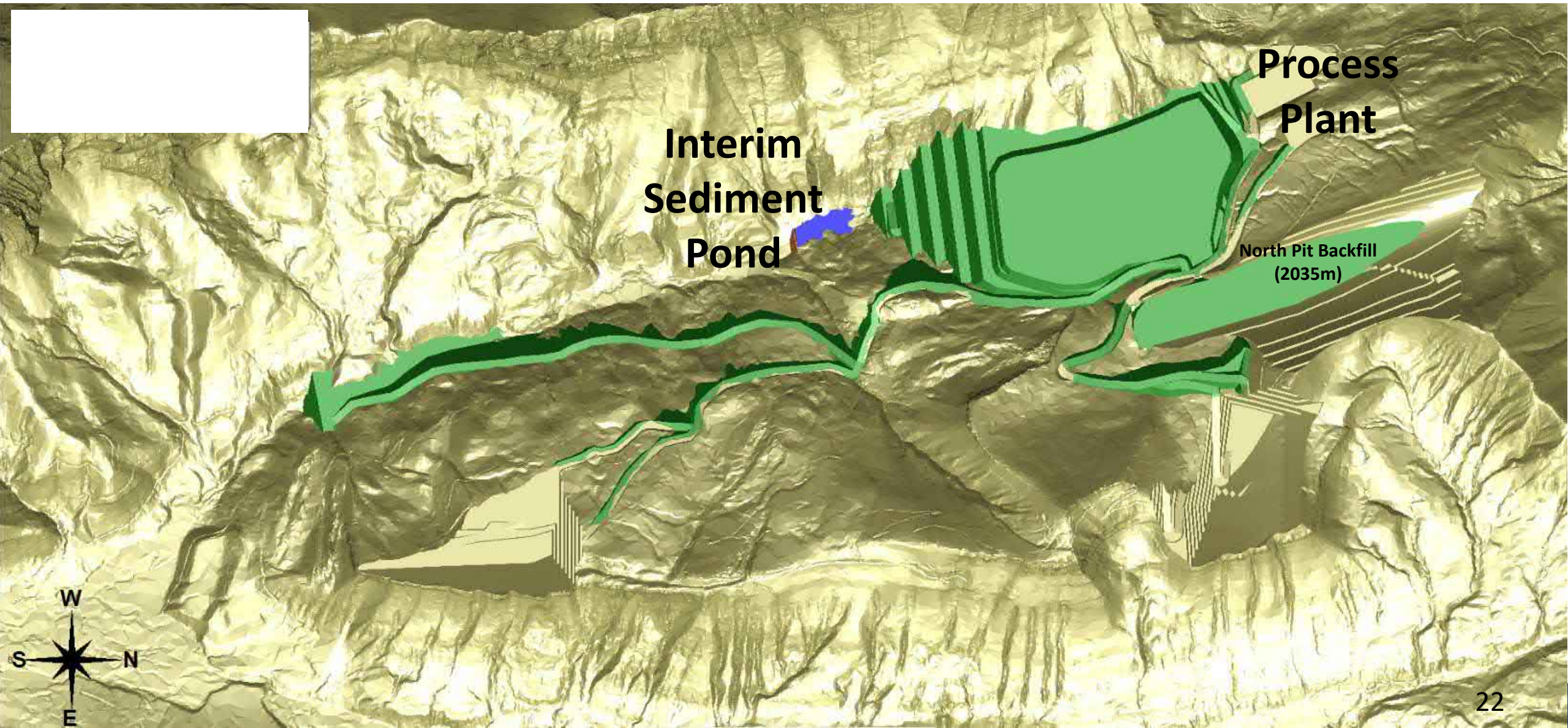
Average Case (P_{50}) and Layer Approach Succeeds Selenium



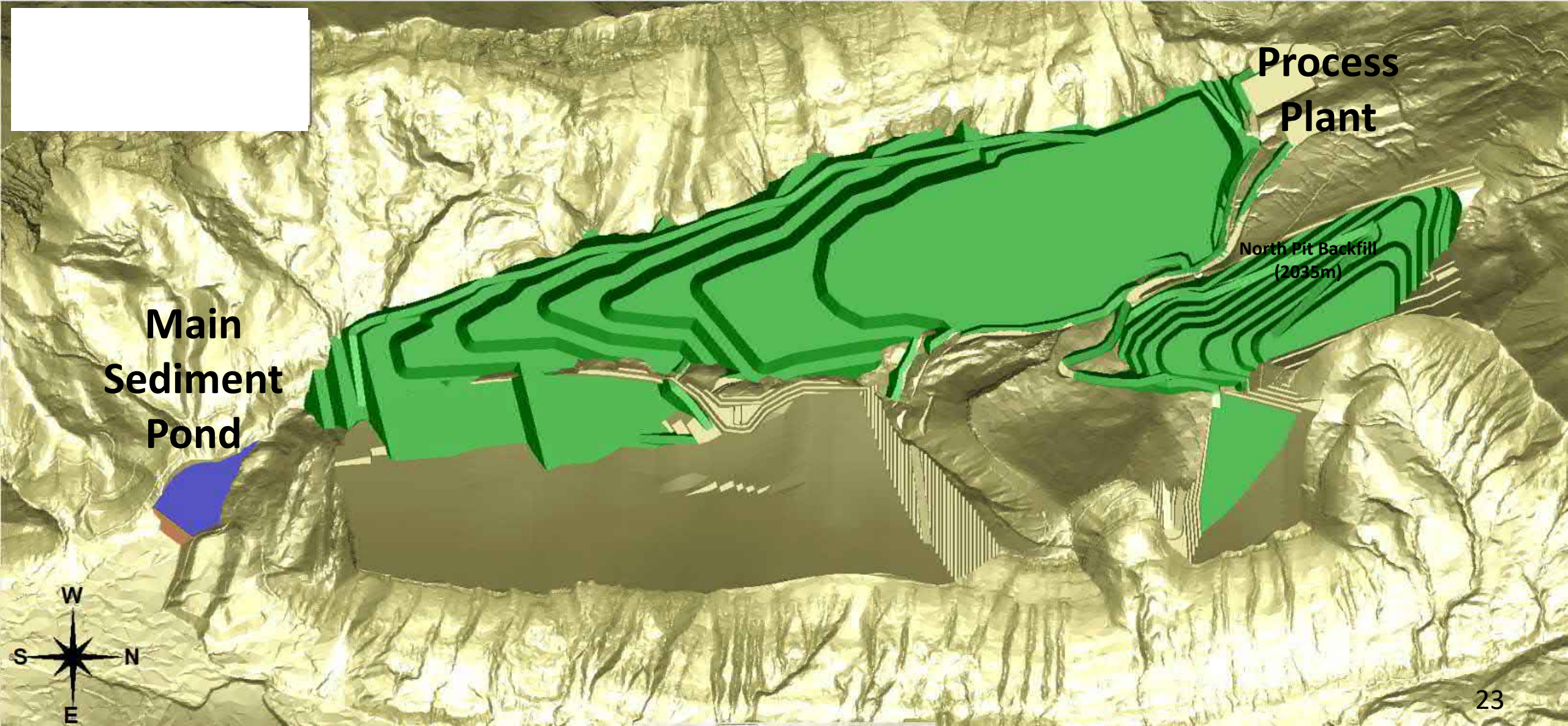
Pit Configuration



North Pit Backfill (~Y5)

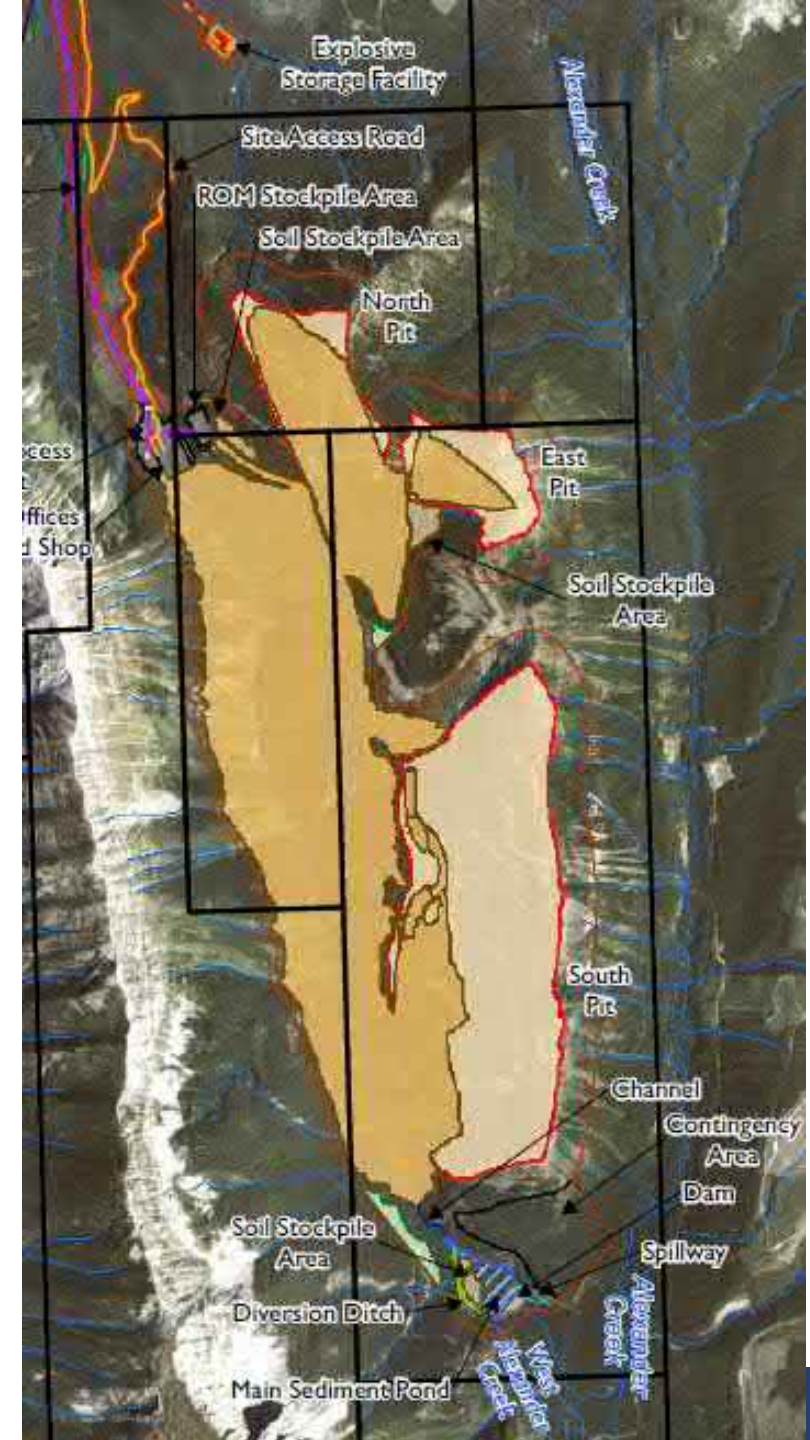


End of Mine Footprint



Contingency

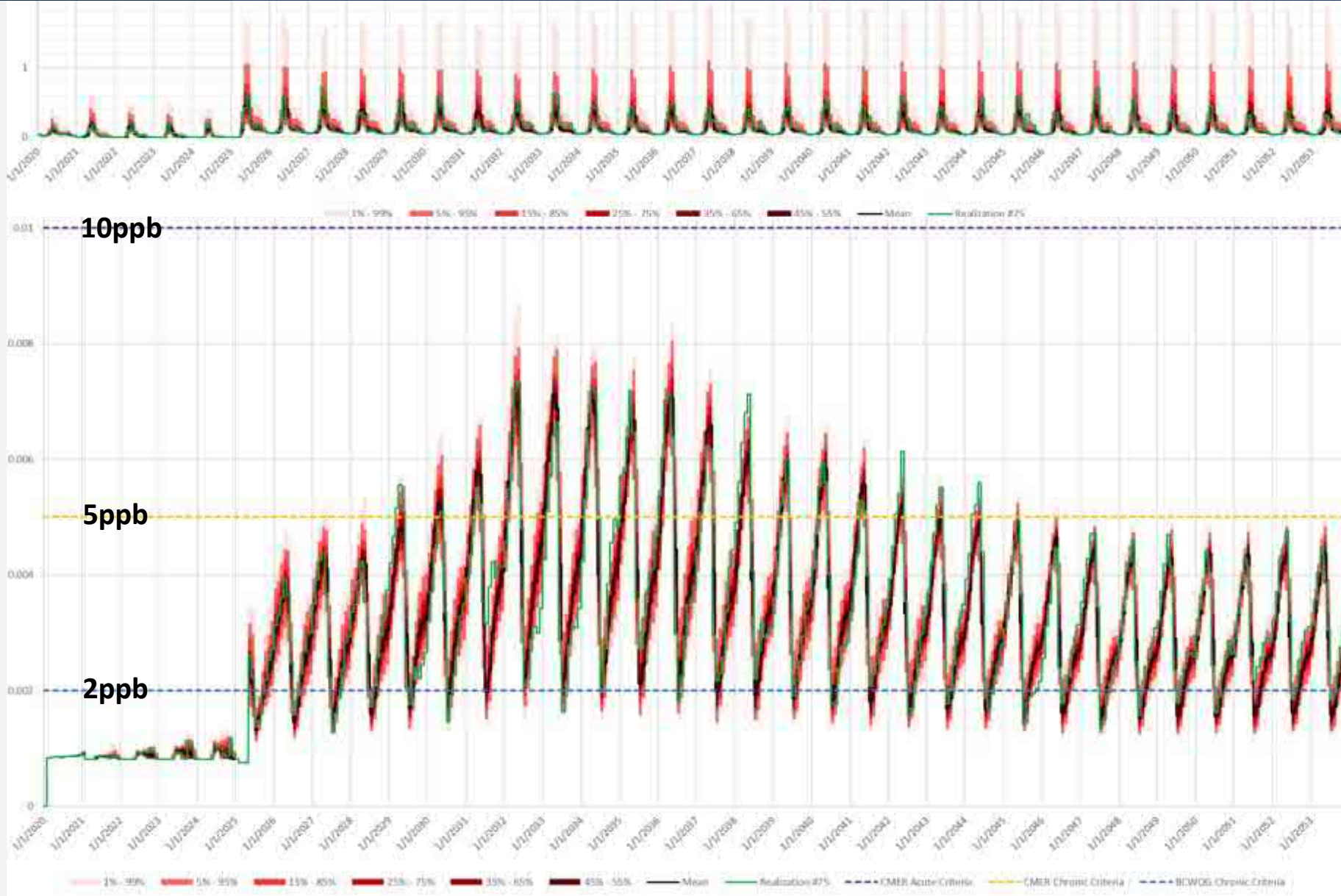
- Water Reclaim to Process Plant from Main Sediment Pond
- North and East Pit Saturated Zones
 - Saturated Zone in North Pit of 2Mm³ (130 days resident time)
 - Saturated Zone in East Pit
- Geomembrane
 - Configuration of MRSF allows for Geomembrane – closure solution
- Allowance for Active Water Treatment Plant



Contingency

- 10 years to reach peak selenium
- 3 years to confirm performance of Layer Cake
- Contingencies
 - Water Reclaim to Process Plant (interim solution)
 - 1 year to permit
 - 1 year to construct
 - Saturated Rock Fill (SRF)
 - 3 years to permit
 - 1 year to construct (based on the water reclaim to the process plant)
 - Active Water Treatment
 - 5 year to permit
 - 2 years to construct

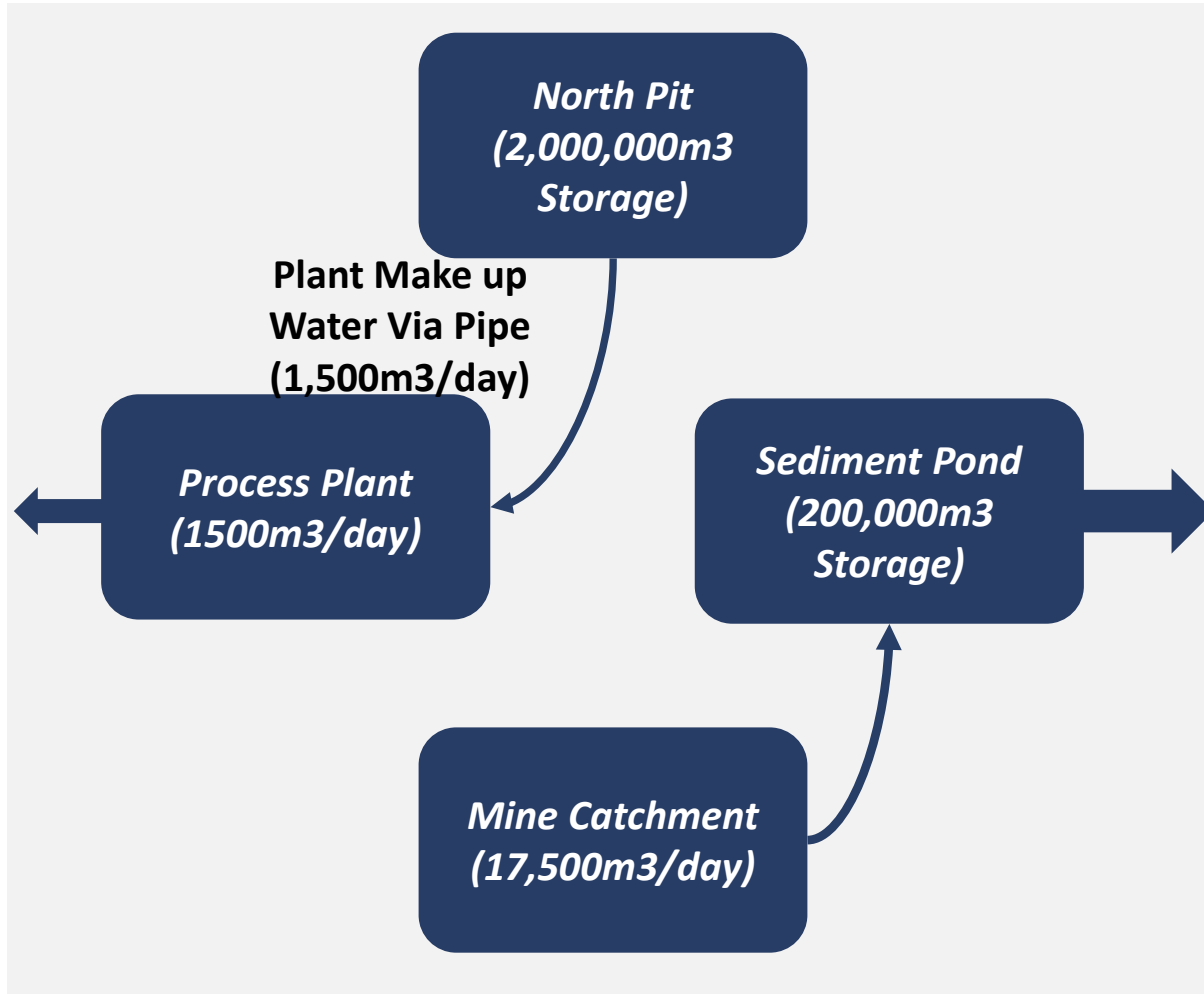
Mine
Effected
Water
(m3/s)



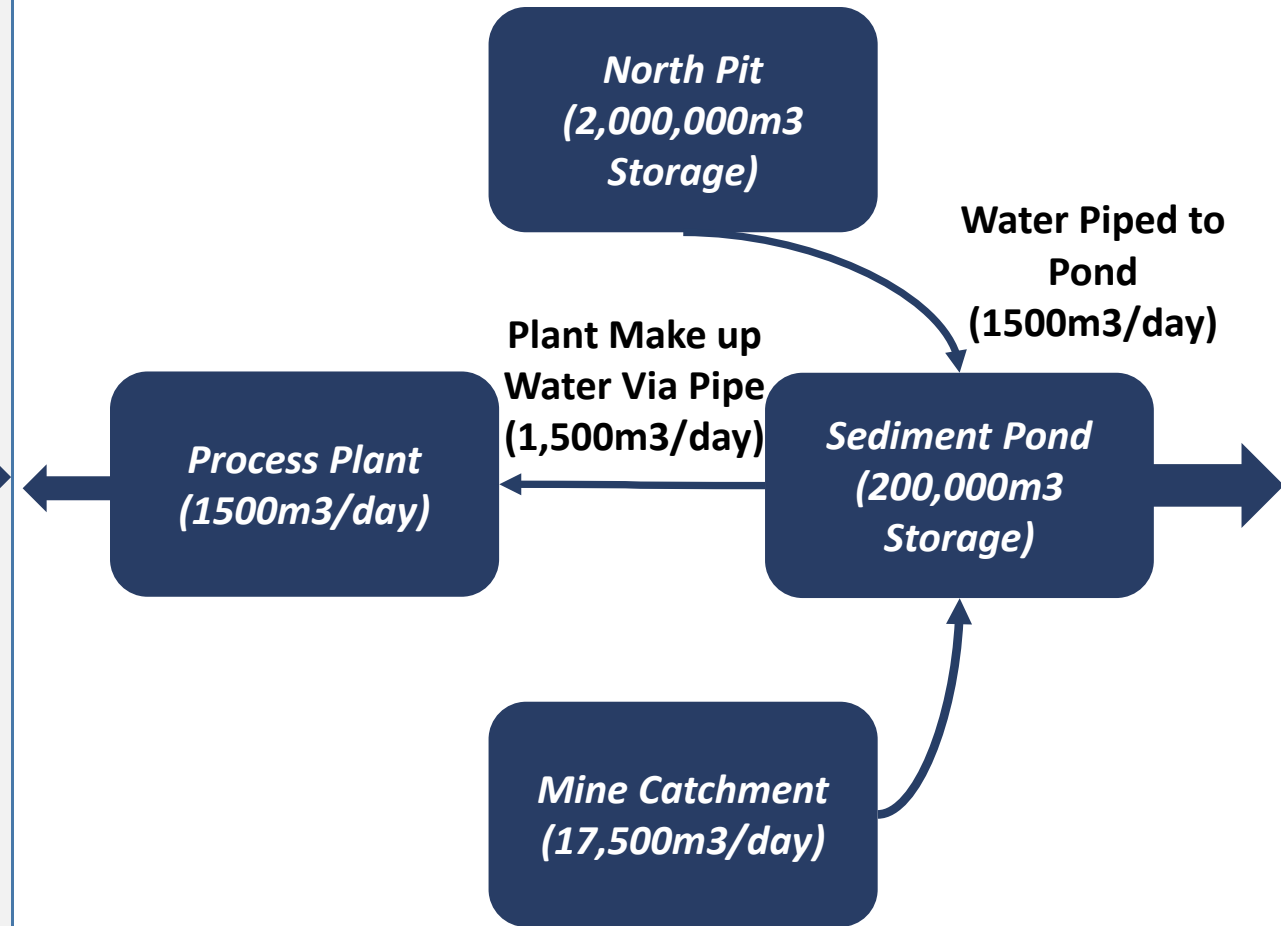
Selenium at
Confluence
of West
Alexander
and
Alexander
(Failure of
Layer Cake)

Flow Diagram

EA Base Case



EA Contingency



Contingency Impacts

- Pump Back to Plant
 - Results in 7% to 8% decrease in Selenium (Average Flow Conditions)
 - Change to Hydrograph
- Pump back to Plant on Pipe North Water to Main Sediment Pond
 - Results in 9% decrease in Selenium (Average Flow Conditions)
 - Results in 18% decrease in Selenium (Low Flow Conditions)
- SRF has capacity to treat up to 15,000m³ (130 day retention)
 - Results in 80% reduction in Selenium



Questions?