



Province of British Columbia

Water Act

CONDITIONAL WATER LICENCE

The holder of Mineral Leases 354991, 515693, 516786, and 516817 to which this licence is appurtenant is/are hereby authorized to divert, use and store water as follows:

- a) The streams on which the rights are granted are East Kemess, South Kemess and Kemess Creek, Serrated Creek and Attichika Creek.
- b) The points of diversion and storage sites are located as shown on the attached plan.
- c) The date from which this licence shall have precedence is March 2, 2001.
- d) The purposes for which this licence is issued are mining (ore processing) and storage.
- e) The maximum quantity of water which may be held in storage is 6,730,000 m³ in four structures as follows;
 - 5,920,000 m³ for submergence at (PD71936) POD M from East Kemess Creek,
 - 600,000 m³ of water diverted at (PD71939) POD P from South Kemess Creek,
 - 173,000 m³ of water diverted at (PD71937) POD N from East Kemess Creek,
 - 37,000 m³ diverted at (PD71941) POD Q from Serrated Creek.

The maximum volume of water that may be diverted from Kemess Creek is 488,000 m³/year and 1,450,000 m³/year from Attichika Creek. The total amalgamated volume of water that may be diverted for mining (ore processing) from any combination of the three sources (Kemess Creek, Attichika Creek or the tailing pond) is 2,000,000 m³/year.

- f) The period of the year during which water may be diverted into storage and water may be used for mining (ore processing) from storage is the whole year.
- g) The land upon which the water is to be used and to which this licence is appurtenant is Mining Leases 354991, 515693, 516786, and 516817 Omineca Mining District.
- h) The authorized works are screened intakes, diversion structures, metering devices, pumps, dams, reservoirs, ditches, and pipe which shall be located approximately as shown on the attached plan.

- i) The construction of the said works has been completed and the water is being used. The licensee shall continue to make regular beneficial use of the water in a manner authorized herein.
- j) The dam authorized under clause (h) is subject to the Dam Safety Regulations and shall be designed, constructed and maintained to the satisfaction of a Dam Safety Officer under the *Water Act* and in accordance with the Canadian Dam Association Guidelines.
- k) This Licence is issued in substitution of Water Licence C118554.
- l) This licence is issued under the *Water Act* (the Act). The exercise of rights under the licence is subject to the Act and its regulations, the terms and conditions of the licence, orders under the Act and the rights of licensees whose rights have precedence on the stream. The licensee must comply with all such requirements, as well as the provisions of all other applicable enactments. In exercising rights under the licence, the licensee must exercise reasonable care to avoid damaging land, works, trees or other property, and must make full compensation to the owners for damage or loss resulting from construction, maintenance, use, operation or failure of the works.



Robert M Piccini
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