BURNCO Rock Products Ltd
BC Aggregate
1A – 2670 Emerson Street
Abbotsford, BC, Canada V2T 3J6

burnco.com
Main 604 859 3314
Fax 604 859 3319

100 YEARS

August 5, 2014

Gerry Hamblin, Project Assessment Manager
British Columbia Environmental Assessment Office
PO Box 9426 Stn Prov Govt
Victoria, B.C., V8W 9V1

Kevin Inouye, Project Manager
Canadian Environmental Assessment Agency
410-701 West Georgia Street
Vancouver, B.C., V7Y 1C6

RE: Proposed BURNCO Aggregate Project Update

Further to your discussions with Golder Associates Ltd. (Golder), I am writing to confirm revisions to the proposed BURNCO Aggregate Project (the Project) that will be reflected in the revised Application Information Requirements/Environmental Impact Statement Guidelines (AIR/EISg), and the subsequent Environmental Assessment Certificate Application/Environmental Impact Statement (EAC Application/EIS), once submitted.

The on-site and off-site components of the proposed Project remain unchanged. There have, however, been refinements to the size and orientation of some of these components. The nature, extent, and rationale for these changes are described below. They are the result of detailed engineering design of the processing area and the associated system of tunnels and above ground conveyors. Also provided are some of the key revisions to the draft AIR/EISg document in response to comments received from Aboriginal groups, the Technical Working Group (TWG) and the public. These dAIR/EISg revisions will be fully documented in the final issues tracking documentation.

Summary of Project Refinements

For the purpose of the provincial EA under the BC *Environmental Assessment Act*, the on-site and off-site components of the proposed Project are as described in the Section 11 Order dated June 1, 2010 and the Section 13 Order dated December 5, 2013.

For the purpose of the federal EA under the former *Canadian Environmental Assessment Act*, the on-site and off-site components of the proposed Project remain as follows:

- Aggregate pit development with proposed production volumes of up to 1.5 million tonnes per annum;
- A processing plant;

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- Marine loading facility;
- Shipping; and
- Reclamation, closure and monitoring.

The scope of assessment of the marine shipping component of the Proposed Project consists of the barge traffic in Howe Sound, Ramillies Channel, Thornbrough Channel, and Queen Charlotte Channel to south of Passage Island. In accordance with the Canadian Environmental Assessment Agency's letter dated November 12, 2013, the scope does not include shipping from where the barges meet the existing shipping lanes in the Strait of Georgia and in the Fraser River to BURNCO's existing facilities in Burnaby and Langley.

Since the Public Open Houses in October 2013, the maximum production rate of the proposed Project has been reduced from 1.6 MTPA to 1.5 MTPA and the mine life has been confirmed to be 16 years (compared to 15-20 years).

In early 2014, BURNCO commissioned a process engineering firm to prepare detailed design drawings of the proposed aggregate processing area, including the screens and crusher, the wash plant, stockpiles and all associated tunnels and above ground conveyor for moving aggregate to, from and around the site. In preparing the detailed design, it was determined that the size of the processing area needed to accommodate the required network of conveyors was larger than previously proposed. In redesigning the processing area, BURNCO considered the proximity of the site to the McNab Strata Residences and identified fish habitat. The maintenance of a treed buffer along the foreshore was also a key consideration.

The re-orientation of the processing area also required relocating the marine loading conveyor to exit from the south-east corner of the site, approximately 125 m east of where it had been previously proposed. This change was made to accommodate process design requirements, as well as to enable the barge load out jetty to be located perpendicular to shore in water deep enough to accommodate 5,500 DWT barges.

A summary of these revisions is presented in Table 1 below. Side-by-side comparisons of the September 2013 and July 2014 processing area and marine loading concepts are attached. All existing baseline information has been reviewed to confirm that there is sufficient information upon which to base an assessment of the revised processing area size and orientation. In light of these refinements, potential air quality, noise and visual quality effects of the proposed Project have been re-modelled. The EA is being conducted based on the new processing area size and orientation and the new marine loading conveyor location.

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Table 1: BURNCO Aggregate Project Component Refinements.

Project Component	September 2013	July 2014	Rationale
Aggregate Pit Development			
Production rate (million tonnes per annum (MTPA)	1.0 MTPA (ave) 1.6 MTPA (max)	1.0 MTPA (ave) 1.5 MTPA (max)	Ongoing refinements to Mine Plan and confirmation of inputs to effects assessment models
Mine life	15 to 20 years	16 years	
Processing			
Size of processing area	25,200 m^2 Approx. 140 m x 180	40,785 m^2 Approx. 250 m x 200 m	Following detailed engineering design, larger area required to accommodate stockpiles and associated system of conveyors. Setback from identified fish habitat maintained. Dirt berm extended to reduce potential noise and visual impacts.
Treed foreshore buffer	75 m to 160 m wide adjacent to processing area	25 m to 50 m wide adjacent to processing area plus extended 20 m wide dirt berm	
Marine Loading Facility and Barging			
Covered above-ground electric conveyor	Exit near mid-point of processing area	Exit from south-east corner of processing area, approximately 125 m east of previously proposed location.	To accommodate process engineering design requirements and to enable jetty to be located in sufficiently deep water perpendicular to foreshore.

Revisions to the dAIR/EISg Document

Upon completion of the public comment period on the dAIR/EISg (Rev 2.1 dated September 9, 2013), BURNCO tracked and prepared responses to 475 written submissions from organizations and individuals. A Public Issue Tracking Table and revised dAIR/EISg (Rev 2.2) was submitted to the BCEAO and to the CEA Agency on February 13, 2014. BURNCO subsequently responded to additional TWG comments and submitted an updated TWG Issue Tracking Table and revised dAIR/EISg (Rev 2.3) to the BCEAO and to the CEA Agency on Feburary 26, 2014.

Following review of BURNCO's responses to written public comments, the TWG provided further final comments which will be addressed in the final dAIR/EISg (Rev 3.0) when submitted.

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BURNCO understands that our responses to all public and TWG comments on the dAIR/EISg will be will made publicly available by the BCEAO upon issuance of the Approved AIR/EISg document.

A number of changes have been made to the dAIR/EISg in response to comments from Aboriginal groups, the TWG and the public, including the following additional information requirements and/or revisions:

- A list of anticipated project-related gas powered on-site equipment;
- A summary of the types of the jobs that will be created and the skills and experience that would typically be required;
- Specifications and other supporting documents for proposed aggregate processing equipment (i.e., for screening, crushing, and washing);
- References to 'seasonal' have been removed in relation to the McNab Creek strata residences;
- The effects assessment methodology has been updated to reflect current accepted EA practice in BC and Canada in accordance with the BCEAO Guideline for the Selection of Valued Components and Assessment of Potential Effects;
- An assessment of the potential risk of avulsion in the lower reaches of McNab Creek will be provided;
- Selected Valued Components (VCs) will be revised to present Marine Resource VCs separate from Fisheries and Freshwater Habitat VCs;
- Local Study Area (LSA) and Regional Study Area (RSA) habitat mapping (including eelgrass and kelp beds) will be completed as a part of the assessment of potential effects on Marine Resources;
- Habitat suitability models will be built for the following Valued Components (VCs): Roosevelt elk, grizzly bear, common nighthawk, western screech-owl, and northern goshawk;
- Forage fish (herring, surf smelt and Pacific sand lance) and their habitat has been added as a Marine Resource VC;
- The assessment of potential accidents, malfunctions, and unplanned events will include potential impacts to glass sponges and other marine benthic communities;
- Vessel Wake has been added as a Marine Transportation VC;
- The assessment will consider vibration induced by potential low frequency noise; and
- A series of LSA and RSA maps will be included as Appendix A of the dAIR/EISg.

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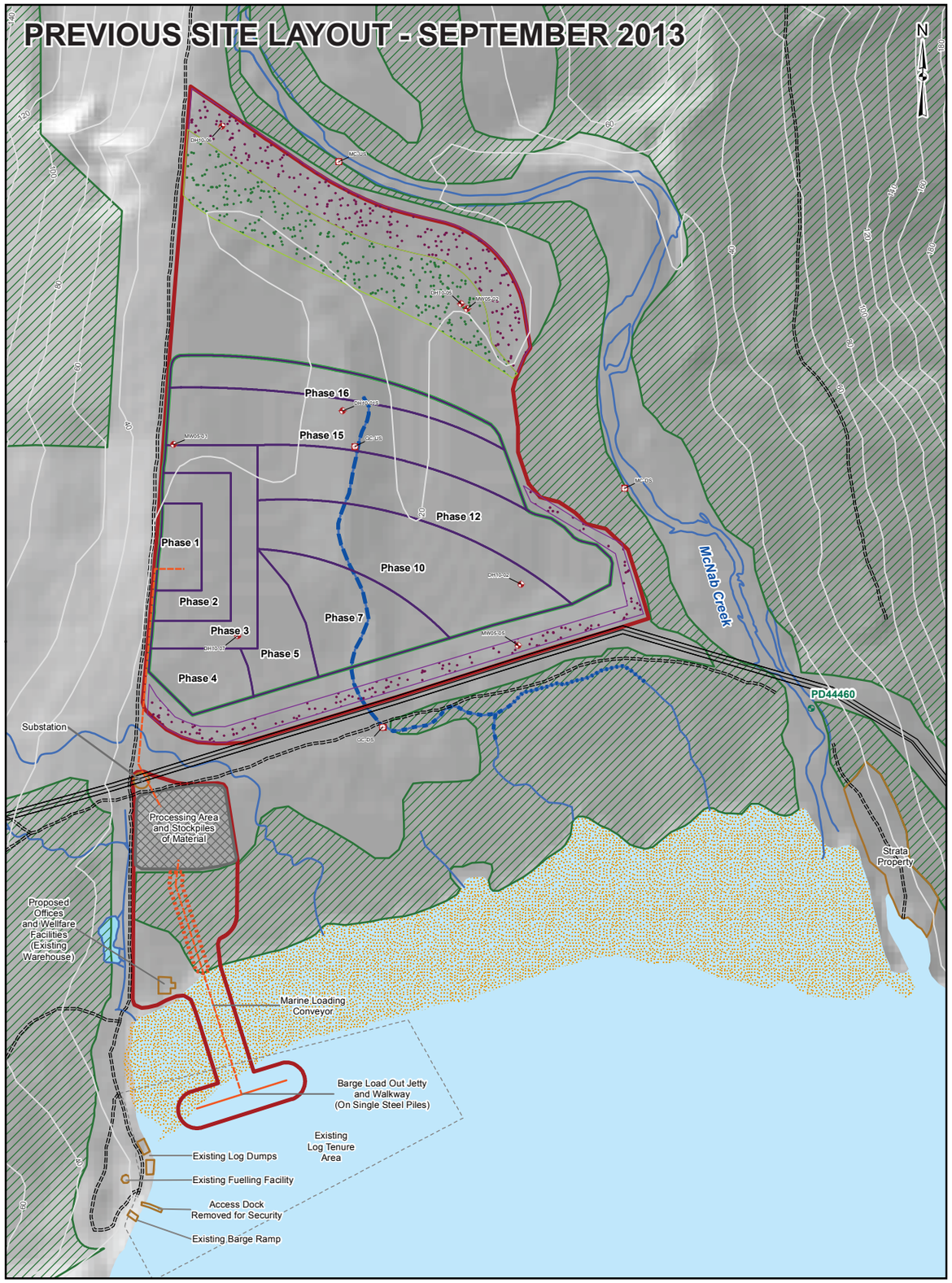
Revisions to the dAIR/EISg document in response to feedback from Aboriginal groups, the TWG and the public are being made concurrently with the completion of requirement studies and the preparation of the EAC Application/EIS. BURNCO looks forward to completing the assessment of the proposed Project and anticipates submitting an EAC Application/EIS to the BCEAO and to the CEA Agency for review in fall 2014.

Please contact me if there are questions.

Sincerely,

Derek Holmes
BURNCO Rock Products Ltd.

PREVIOUS SITE LAYOUT - SEPTEMBER 2013



LEGEND

- Processing Area and Stockpiles of Material
- Berm (Organic + Wash Sediment Mixed and Planted)
- Planted Forest (Organics and Washed Fines)
- Existing Features
- Existing Log Tenure
- Conveyor Buffer
- Mature 2nd Growth Forest
- Project Boundary
- Final Pit Lake Outline
- Proposed Aggregate Pit
- Road (existing)
- Transmission Line
- Barge Load-out
- Conveyor
- Watercourses
- Contour - 20m Interval
- Current Water Licence (POD)
- Monitoring Well (Golder 2012)
- Surface Water Monitoring Station (Golder 2012)

Constructed Channel

- Phase 1
- Phase 2
- Phase 3
- Intertidal Zone

DRAFT

REFERENCE

DEM from Geobase, base data from the Province of British Columbia, contours from TRIM positional data. Additional detailed site features provided by McElhanney. Projection: UTM Zone 10 Datum: NAD 83

200 0 200

SCALE 1:6,000 METRES

PROJECT

BURNCO ROCK PRODUCTS LTD.
AGGREGATE PROJECT, HOWE SOUND, B.C.

TITLE

PROPOSED CONCEPTUAL SITE LAYOUT

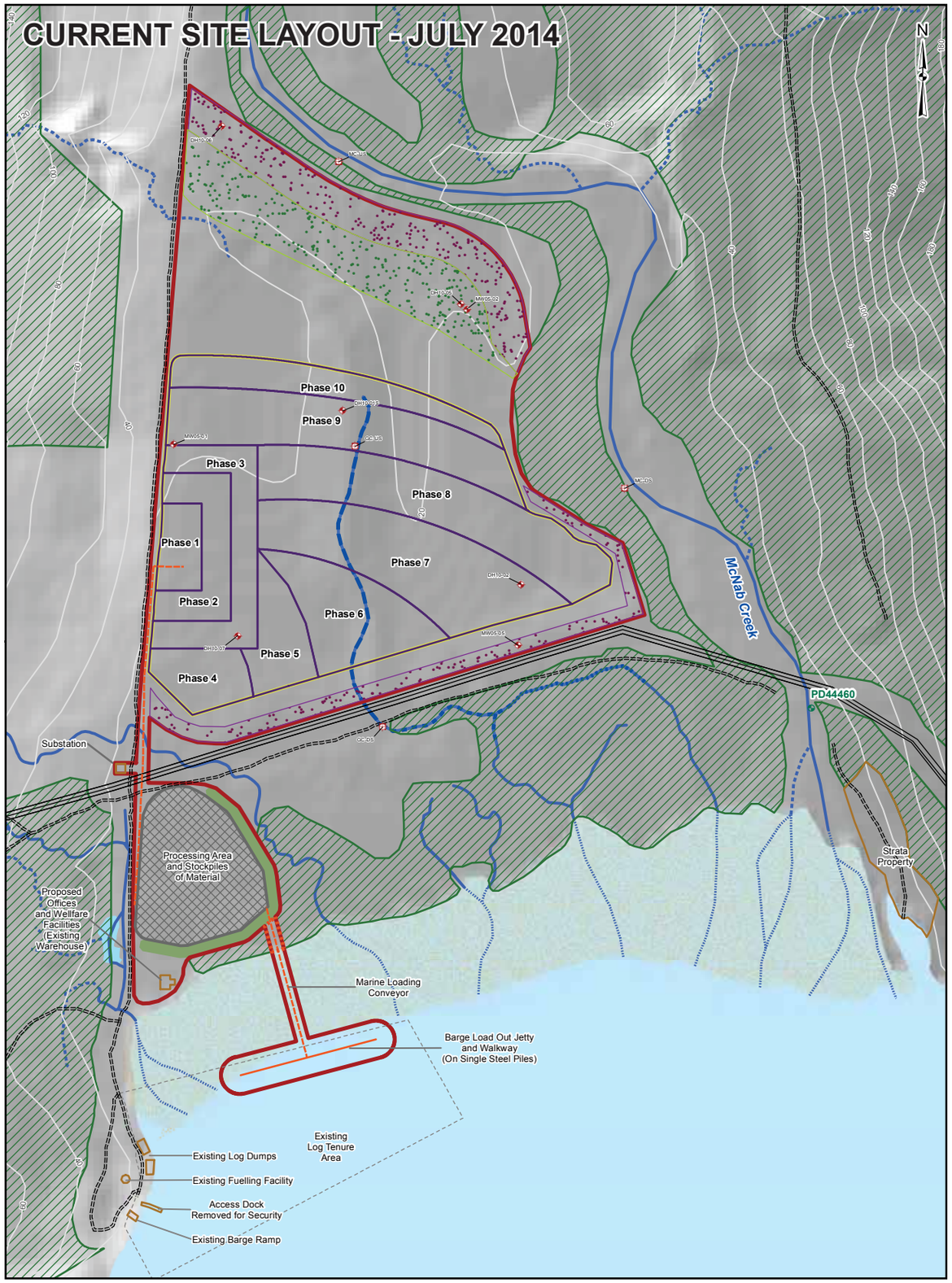
Golder Associates

PROJECT NO. 11-1422-0046			PHASE No.	
DESIGN	MD	2 Nov. 2012	SCALE AS SHOWN	REV. 8
GIS	AS	29 Jul. 2013		
CHECK	AL	29 Jul. 2013		
REVIEW				

FIGURE 2

Path: Y:\Vancouver\Spatial Data\Project Data\BC\McNab\Figures\MXD\dAIR\BURNCO_Figure_02_Proposed_Conceptual_Site_Layout.mxd

CURRENT SITE LAYOUT - JULY 2014



LEGEND

- Project Boundary
- Proposed Aggregate Pit Phases
- Final Pit Lake Outline
- Processing Area & Stockpiles of Material
- Berm (Organic & Wash Sediment Mixed & Planted)
- Planted Forest (Organics & Washed Fines)
- Existing Features
- Existing Log Tenure
- Mature Forest
- Conveyor Buffer
- Processing Area Dirt Berm
- Road (existing)
- Transmission Line
- Barge Load-out
- Conveyor
- Current Water Licence (POD)
- Monitoring Well (Golder 2012)
- Surface Water Monitoring Station (Golder 2012)
- Permanent / Perennial Channel
- Intermittent Channel
- Intertidal Channel
- Intertidal Zone
- Contour - 20m Interval

Constructed Channel

- Phase 1
- Phase 2
- Phase 3

REFERENCE

DEM from Geobase, base data from the Province of British Columbia, contours from TRIM positional data. Additional detailed site features provided by McElhanney. Projection: UTM Zone 10 Datum: NAD 83

200 0 200

SCALE 1:6,000 METRES

PROJECT

BURNCO ROCK PRODUCTS LTD.
BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.

TITLE

PROPOSED CONCEPTUAL SITE LAYOUT

Golder Associates

PROJECT NO. 11-1422-0046			PHASE No.	
DESIGN	MJ	2 Nov. 2012	SCALE AS SHOWN	REV. 12
GIS	AS	10 Jun. 2014		
CHECK	DL	10 Jun. 2014		
REVIEW	AC	10 Jun. 2014		

FIGURE 2

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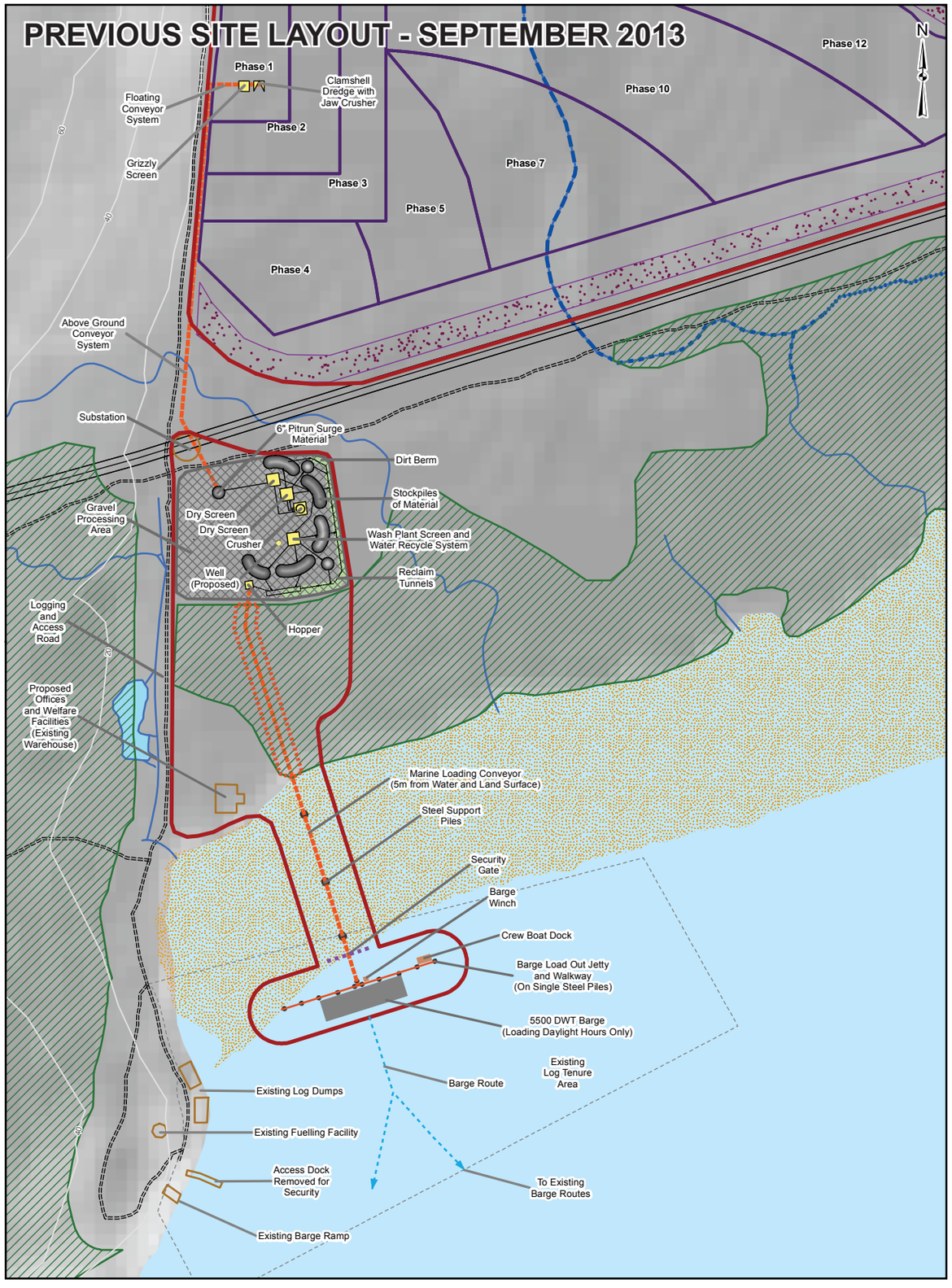
PREVIOUS SITE LAYOUT - SEPTEMBER 2013



LEGEND

- Possible Processing Plant Configuration
- Product Stockpiles
- Processing Area and Stockpiles of Material
- Berm (Organic + Wash Sediment Mixed and Planted)
- Planted Forest (Organics and Washed Fines)
- Existing Features
- Existing Log Tenure Area
- Processing Area Dirt Berm
- Conveyor Buffer
- Mature 2nd Growth Forest
- Project Boundary
- Proposed Aggregate Pit Area
- Road (existing)
- Transmission Line
- Barge Load-out
- Conveyor
- Barge Route
- Intertidal Zone
- Watercourses
- Contour - 20m Interval

Constructed Channel

- Phase 1
- Phase 2
- Phase 3

DRAFT

REFERENCE

DEM from Geobase, base data from the Province of British Columbia, contours from TRIM positional data. Additional detailed site features provided by McElhanney. Projection: UTM Zone 10 Datum: NAD 83

100 0 100
SCALE 1:3,500 METRES

PROJECT
BURNCO ROCK PRODUCTS LTD.
AGGREGATE PROJECT, HOWE SOUND, B.C.

TITLE
CONCEPTUAL OPERATIONAL SITE LAYOUT

Golder Associates

PROJECT NO. 11-1422-0046			PHASE No.	
DESIGN	MD	5 Jan. 2013	SCALE AS SHOWN	REV. 6
GIS	AS	29 Jul. 2013		
CHECK	AL	29 Jul. 2013		
REVIEW				

FIGURE 3

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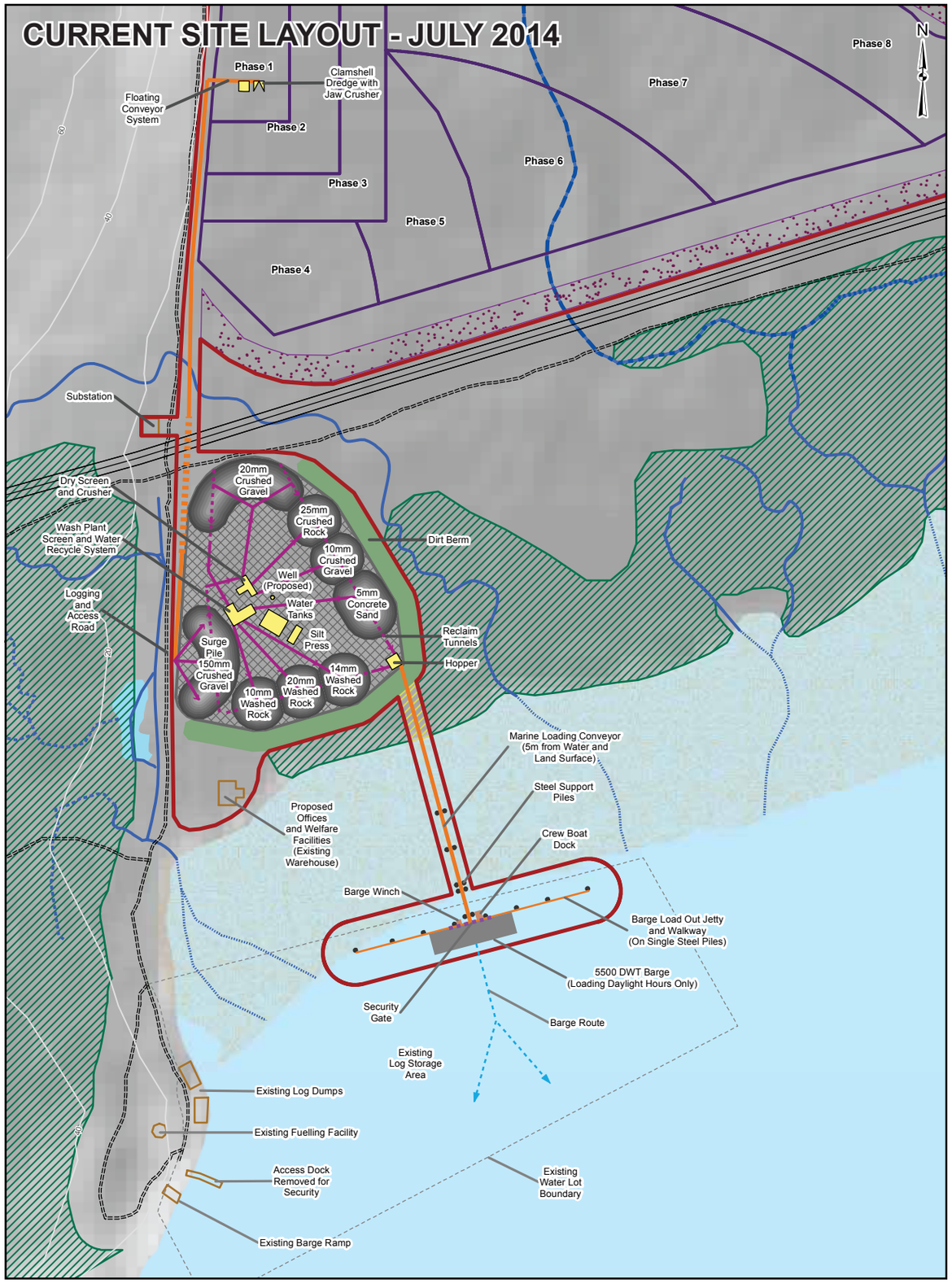
CURRENT SITE LAYOUT - JULY 2014



LEGEND

- Project Boundary
- Proposed Aggregate Pit Area
- Possible Processing Plant Configuration
- Product Stockpiles
- Processing Area Dirt Berm
- Processing Area & Stockpiles of Material
- Berm (Organic & Wash Sediment Mixed & Planted)
- Planted Forest (Organics & Washed Fines)
- Existing Features
- Existing Log Tenure Area
- Mature 2nd Growth Forest
- Conveyor Buffer
- Processing Area Conveyor
- Processing Area Reclaim Tunnel
- Above-Ground Conveyor
- Underground Conveyor Tunnel
- Barge Load-out
- Transmission Line 138kV
- Road (existing)
- Contour - 20m
- Permanent / Perennial Channel
- Intermittent Channel
- Intertidal Channel
- Intertidal Zone

Constructed Channel

- Phase 1
- Phase 2
- Phase 3

REFERENCE

DEM from Geobase, base data from the Province of British Columbia, contours from TRIM positional data. Additional detailed site features provided by McElhanney. Projection: UTM Zone 10 Datum: NAD 83

100 0 100
SCALE 1:3,500 METRES

PROJECT
BURNCO ROCK PRODUCTS LTD.
BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.

TITLE
CONCEPTUAL OPERATIONAL SITE LAYOUT

Golder Associates

PROJECT NO. 11-1422-0046			PHASE No.	
DESIGN	MJ	5 Jan. 2013	SCALE AS SHOWN	REV. 10
GIS	AS	10 Jun. 2014		
CHECK	DL	10 Jun. 2014		
REVIEW	AC	10 Jun. 2014		

FIGURE 3

Path: \\golder.gd\ga\Vancouver\Spatial Data\Project Data\BCMcNab\Figures\MXD\dAIR\BURNCO_Figure_03_Conceptual_Operational_Site_Layout.mxd