

May 8, 2018 File No.:VA101-00126/19-A.01 Cont. No.:VA18-00826

Mr. Mark Thompson Vice President - Environmental Affairs Montana Resources, LLP 600 Shields Avenue Butte, Montana USA, 59701

Dear Mark,

Re: Yankee Doodle Tailings Impoundment – Cover Letter for Minor Design Document Adjustments

1 - INTRODUCTION

Knight Piésold Ltd. (KP) developed the design document to support the Montana Resources, LLP (MR) permit amendment application for the continued use of the Yankee Doodle Tailings Impoundment (YDTI) to provide for continued mining of the Continental Pit beyond approximately 2020. The proposed amendment considers the YDTI with embankments constructed to a crest elevation of 6,450 ft (Anaconda Datum) and commencing operation of the West Embankment Drain (WED). The amendment will provide for approximately 12 years of additional mine life.

Montana Code Annotated (MCA) 82-4-376 describes the design document requirements for a tailings storage facility and is the governing legislation for preparation of a design. The YDTI Design Document is comprised of a series of technical reports covering the subject areas and content specified in MCA 82-4-376. This letter provides the references to the complete YDTI Design Document contents. An Independent Review Panel (IRP) was engaged to review the YDTI Design Document as stipulated in MCA 82-4-376 and has the statutory obligation to review the Design Document and provide any recommended modifications to MR and the Montana Department of Environmental Quality (DEQ). IRP provided their final report (IRP, 2017) on November 20, 2017 accepting the adequacy of the design and highlighting their requirements for on-going information updates to be addressed in periodic reviews. The IRP's determination in their review is conclusive.

The final YDTI Design Document was provided to the Montana DEQ as supporting information to the permit amendment application. Several sections and figures within the permit amendment application also rely on content the Design Document. MR is presently responding to deficiency review comments provided by DEQ. Several of these DEQ deficiency comments identified that minor adjustments to the reports comprising the Design Document could be made to improve consistency or correct issues related to electronic document compilation.

2 - DOCUMENT LIST

The following is the list of documents that comprise the complete YDTI Design Document. Minor adjustments or corrections to electronic document compilation where made to address deficiency review comments provided by the Montana DEQ. Comments are provided below for each report to describe the minor adjustments or corrections made to the reports since the IRP completed their review. The document list is arranged in order of suggested reading:

- Alternatives Assessment (KP, 2017a) –The electronic document was recompiled on January 22, 2018 to fix issues with Figure 1.1. No change to report revision number.
- Design Basis Report (KP, 2017b) No revisions.
- Site Characterization Report (KP, 2017c) Recompiled electronic document on January 22, 2018 to adjust overlapping labels on Figure 3.6 and fix footer page numbering in several appendices. No change to report revision number.



- West Embankment Drain Design Report (KP, 2017d) No revisions.
- Hydrologic Evaluation of the Yankee Doodle Tailings Impoundment West Ridge Area (Hydrometrics, 2017) -Recompiled report with minor adjustments to page extents in the electronic document.
- Stability Assessment Report (KP, 2018a) Issued new revision of the report on March 13, 2018 with a revision to Figure 2.1.
- Dam Breach Risk Assessment (KP, 2018b) Issued new revision of the report on March 12, 2018 correcting a spelling error in the section heading of Appendix A – Section 3.1.
- Water Management Report (KP, 2018c) Issued new revision on March 14, 2018 addressing several comments from the DEQ Deficiency Review.
- Construction Management Plan (KP, 2018d) Issued new revision on May 1, 2018 with new Section 2.3.4, and modifications to Section 3.3.4 and various tables within the report to improve clarity in several of the specified procedures.
- Reclamation Overview (KP, 2018e) Issued new revision on May 2, 2018 with revisions identified in the DEQ Deficiency Review and for consistency within the report.

We trust this meets your needs at this time. Please contact the undersigned with any questions.

Yours truly,

Knight Piésold Ltd.

Prepared:

Daniel Fontaine, P.Eng. Senior Civil Engineer | Associate Reviewed:

Ken Brouwer, P.E.

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President

Approval that this document adheres to Knight Piésold Quality Systems:



References:

- Hydrometrics Inc. (Hydrometrics, 2017) Hydrologic Evaluation of the Yankee Doodle Tailings Impoundment West Ridge Area Silver Bow County, Montana. Helena Montana.
- Independent Review Panel (IRP, 2017). Report of the Independent Review Panel: Design Document for Expansion of Yankee Doodle Tailings Impoundment, November 20, 2017.
- Knight Piésold Ltd. (KP, 2017a). Yankee Doodle Tailings Impoundment, Alternatives Assessment (KP Reference No. VA101-126/12-4 Rev. 2).
- Knight Piésold Ltd. (KP, 2017b). Yankee Doodle Tailings Impoundment, Design Basis Report (KP Reference No. VA101-126/12-1 Rev. 2).
- Knight Piésold Ltd. (KP, 2017c). Yankee Doodle Tailings Impoundment, Site Characterization Report (KP Reference No. VA101-126/14-2 Rev. 2).
- Knight Piésold Ltd. (KP, 2017d). Yankee Doodle Tailings Impoundment, West Embankment Drain Design Report (KP Reference No. VA101-126/13-3 Rev. 2).



- Knight Piésold Ltd. (KP, 2018a). Yankee Doodle Tailings Impoundment, Stability Assessment Report (KP Reference No. VA101-126/12-2 Rev. 3).
- Knight Piésold Ltd. (KP, 2018b). Yankee Doodle Tailings Impoundment, Dam Breach Risk Assessment (KP Reference No. VA101-126/12-3 Rev. 3).
- Knight Piésold Ltd. (KP, 2018c). Yankee Doodle Tailings Impoundment, Water Management Report (KP Reference No. VA101-126/12-7 Rev. 3).
- Knight Piésold Ltd. (KP, 2018d). Yankee Doodle Tailings Impoundment, Construction Management Plan (KP Reference No. VA101-126/12-5 Rev. 3).
- Knight Piésold Ltd. (KP, 2018e). Yankee Doodle Tailings Impoundment, Reclamation Overview (KP Reference No. VA101-126/12-8 Rev. 5).
- Knight Piésold Ltd. (KP, 2017i). Response by the Engineer of Record to Comments Submitted by Atlantic Richfield Company (KP Reference No. VA17-01525).

Copy To: Lisa Larsen (Westech)

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