

March 21, 2016

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By e-mail only

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Benga Mining Limited – Grassy mountain coal project Supplemental Information Request 1 for applications 1844520 and 1844522

Dear Mr. Clark:

The Alberta Energy Regulator (AER) has reviewed Benga Mining Limited's (Benga) application no. 1844520 for mine permit and application no. 1844522 for the coal processing plant approval. In order to continue the review the attached supplemental information is required. Refer to attachment 1.

If you have any questions please contact me at (403) 297-8494 or rushang.joshi@aer.ca

Regards,

Rushang Joshi, P.Eng

RJ/rj

Enclosure: Attachment 1

cc: Rod Godwaldt, AER

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Attachment 1

Supplemental Information Request 1 Benga Mining Limited – Grassy Mountain coal project Application no(s): 1844520 and 1844522

Geology

1. Section B Geology and Geotechnical, Sections B.8.4.4.2 and B.8.4.4.3, Page B-50

There are only two test pits within the North Rock Disposal Area (NRDA). Benga states, "... there are no test pits or drillholes within the footprint of the South Rock Disposal Area (SRDA)." and, "... there are no test pits or drillholes within the footprint of the plant site."

- a. Provide a drilling program that will be conducted to understand the coal resource within the footprints of the NRDA, SRDA and plant site, to eliminate the potential of coal resource sterilization.
- b. In the event that coal resources are identified in either area, provide a schedule for incorporating the new data into the mine plan.

Mining

1. Section C Project description, Section C.1.2.1, Page C-7

Benga states "...historical underground mining Seam No. 1 and Seam No. 2 constrained the proposed pit to the southwest due to uncertainty of the extent and status of the old underground working..."

What safe work practices will be used as mining is conducted in close proximity to the historical underground mine workings?

Coal processing plant

1. Section A Project Introduction, Section A.6.4, Page A-16

Benga states that "The overall selenium management strategy, which has been built into the overall sequencing of the mine plan, includes the following: capture seepage from the north and south external rock disposal areas....as a backup to this plan, a water quality treatment plant could be constructed but is not planned at this time."

Provide the planned location of the water treatment plant on the site map.

2. Section C Project description, Page C-1

Benga states that "The following is a summary of the physical works associated with the designated project: Mina Activities....Coal Handling and Processing Plant (CHPP)two CPPs; three product coal radial stackers and stockpiles;"

Provide the maximum volume and heights of the product stockpiles

3. Section C Project description, Section C.2.3, Page C-41

Benga states that "The coal handling and processing plant (CHPP) system has been designed to achieve the following objectives: to receive process and handle.....to produce saleable coal with the following target specifications: coking coal: 9-10% ash dry basis (asd), 10.0% total moisture (as)."

Provide a plan to maintain the target moisture content of the clean coal product considering seasonal variations.

4. Section C Project description, Section C.2.6.6, Page C-63

Benga states that "Product coal will be reclaimed from the product stockpiles by dozer fed in pile reclaim feeders (RC-802, RC-803, RC-804, RC-805, RC-806 and RC-807."

Confirm whether RC-801 is a reclaim feeder.

5. Section C Project description, Section C.2.7, Page C-64

Benga states that "A vibratory feeder (FE-801) located underneath the Overland Conveyor loading Bin (BN-801) will feed product coal onto the overland conveyor (CV-807) at a nominal capacity of 2000 t/h. The overland conveyor will have a belt width of 48" and a nominal capacity of 2000t/h. The overland conveyor will transfer the product coal approximately 4.4 km and deliver it into a surge bin (BN-851) with a storage capacity of 500 t. Please refer to Figure C.2.7.1."

Is there are a provision for emergency temporary stockpile while overland conveyor is under maintenance? If so, provide the location, maximum volume and height of the stockpile.

6. Section C Project description, Figure C.2.6-1 and Figure C.2.6-16

RC-807 is not identified in figures C.2.6-1 and C.2.6-16.

Provide the location of RC-807 in figures C.2.6-1 and C.2.6-16.

7. Section C Project description, Section C.5.3.1, Page C-89

Benga states that "Five settling/release ponds will treat and release water back into the environment."

Provide the water treatment method for the five settling/release ponds and include a plan location.