

July 9, 2020

By e-mail only

Doug Porter, Chief Financial Officer

Horn Ridge Resources Ltd.

Email: dporter@noirresources.ca

**RE: Notice of Decision: Refusal of Application
Coal Exploration Program No. CEP200000 – Horn Ridge**

Dear Mr. Porter:

The Alberta Energy Regulator (AER) has reviewed Coal Exploration Program No. CEP200000 dated March 29, 2020, and the subsequently revised application that was submitted on May 1, 2020. For the reasons that follow, the AER has decided to refuse the application pursuant to section 12(1) of the *Public Lands Administration Regulation*.

Any coal exploration activity must comply with the *Code of Practice for Exploration Operations (COP)* under the *Environmental Protection and Enhancement Act*, and an application for a Coal Exploration Program must address all aspects of the *COP*. Sections 4.1.1 and 4.1.2 of the *COP* require the preparation of an activities plan that includes the information specified in Schedule 2 prior to the commencement of an exploration operation. Schedule 2 subsection (b)(v) states that an activities plan must include a description of the operating procedures to be used in sensitive areas, including, but not limited to, the contingency plan to safeguard sensitive areas.

Horn Ridge submitted a Mountain Goat and Bighorn Sheep Management Plan (the Management Plan) to the AER in accordance with the above-noted *COP* requirements on July 6, 2020. After reviewing the Management Plan, the AER has determined that it fails to provide sufficiently detailed methods for mitigating the impacts associated with coal exploration activities in the mountain goat and bighorn sheep zone, which in this case include the sensory and direct disturbance impacts to mountain goats and bighorn sheep caused by the location of proposed drill pads and helicopter activity required to support drilling operations. Specifically, the Management Plan

- a) fails to address direct conflicts between drill hole locations and known mountain goat and bighorn sheep historical sighting locations and habitat;

- b) provides conflicting mitigation statements around the flight elevation of helicopters that do not align with the *Recommended Land Use Guidelines for Mountain Goat and Bighorn Sheep Ranges in Alberta*; and
- c) includes vague statements about the future preparation of habitat avoidance maps, monitoring and wildlife response procedures that do not allow the AER to sufficiently verify potential mitigations.

The AER has therefore concluded based on the information provided within the Management Plan that there is outstanding risk that the drilling activity and helicopter-related disturbance associated with the coal exploration activities proposed in Coal Exploration Program No. CEP200000 would directly and negatively affect mountain goat and bighorn sheep. Accordingly, the AER refuses the application. Horn Ridge does not have authority to enter and occupy public lands to carry out any of the exploration activities applied for under Coal Exploration Program No. CEP200000.

Under the *Responsible Energy Development Act (REDA)*, an eligible person may request a regulatory appeal of an appealable decision. Eligible persons and appealable decisions are defined in section 36 of *REDA* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request in the form and manner and within the timeframe required by the AER. Filing requirements and forms are available on the AER's website (www.aer.ca) under Applications & Notices: Appeals. Regulatory appeal requests should be emailed to the Regulatory Appeal inbox at: RegulatoryAppeal@er.ca.

Should you have any questions regarding the above decision, please submit an email to AERSurfaceActivityApplication@er.ca, quoting the CEP number.

Regards,



Rushang Joshi, P.Eng
Manager, Coal
Regulatory Applications

RJ/jf

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