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CONTACT

Chris Zimmer, 907/586-2166, Zimmer@riverswithoutborders.org

COMPANY DROPS BID TO BUY TULSEQUAH CHIEF MINE

NEW STUDY SHOWS "UNACCEPTABLE RISKS" FROM MINE POLLUTION

(JUNEAU) A private company, <u>Black Loon Metals</u>, has dropped its interest in purchasing the abandoned Tulsequah Chief mine, according to sources in Alaska and British Columbia (B.C.). At the same time an <u>Aquatic Ecological Risk Assessment</u> released by the B.C. government on July 18 documents "unacceptable risks" from the ongoing acid mine drainage from Tulsequah Chief.

"This new study finds 'unacceptable risks' from acid mine drainage pouring out of the abandoned Tulsequah Chief mine and should put to rest claims that the pollution is not harming fish and water quality. After two bankruptcies and failed attempts to sell the mine out of receivership, it is clear the Tulsequah Chief is not a viable mine, financially, environmentally or politically," said Chris Zimmer, Alaska Campaign Director for Rivers Without Borders. "The only way to stop the illegal and clearly harmful acid mine drainage from the abandoned mine into the salmon-rich Taku watershed is for B.C. to honor its promises and take responsibility for mine cleanup and closure."

The mine, located in the heart of the Taku River watershed in northwest B.C. close to the Alaska border, operated in the 1950's and was abandoned in 1957 without any remediation. B.C. has wanted a new company to re-open the mine and then eventually clean it up, but two companies have already gone bankrupt trying to re-open the mine and little has been done to stop the illegal pollution. Current mine owner Chieftain Metals declared bankruptcy in September 2016 and the company was placed into receivership. Despite significant outreach by the receiver, it now appears no company is seriously interested in purchasing the mine and re-opening it.

"Trying to re-open the Tulsequah Chief a third time is not a cleanup plan. It is a recipe for another bankruptcy, more pollution, and opening up the heart of the Taku to mining and road building. We hope the new B.C. government will take a much more responsible approach with Tulsequah Chief than the previous Christy Clark administration," said Zimmer. "We urge the new Minister of Energy and Mines, Michelle Mungall, to honor the <u>promise made by her predecessor</u> and to accept responsibility for cleaning up the mess at Tulsequah Chief."

On August 12, 2013 the B.C. Ministry of the Environment wrote to Chieftain Metals stating that the company was in violation of its mine permits due to closure of a water treatment plant and ordered the company to conduct a risk assessment of the acid mine drainage. That <u>report</u> was issued in December 2013. An <u>independent review of that report</u> documented significant flaws. B.C. apparently also found that study to be flawed and released a new Aquatic Ecological Risk Assessment on July 18, 2017.

"Not only does this new study find 'unacceptable risks' to fish and water quality from the Tulsequah Chief pollution, it notes that the contamination problems could actually be even worse as the study

may not have captured the 'worst case scenario.' The Tulsequah Chief Mine is a toxic legacy from the Christy Clark administration that the new B.C. government should promptly clean up and close down," said Zimmer.

There is significant opposition to, and no visible support for, the mine, a proposed access road and river barging access, while feasibility studies have shown substantial economic risks. In 2012 the Taku River Tlingit First Nation in B.C. passed a Joint Clan Mandate opposing the mine. The Douglas Indian Association and the Organized Village of Kasaan in Southeast Alaska recently passed resolutions calling for cleanup and closure of Tulsequah Chief. A recent letter from six Alaska legislators to the governor called for more actions to ensure cleanup of Tulsequah Chief. In March 2017 Andrew Weaver, leader of the B.C. Green Party, asked then Minister of Energy and Mines Bill Bennett, "Will B.C. keep its word and address the Tulsequah problem with a long overdue proper cleanup, or will it allow yet another mining company to pick up where Chieftain Metals left off and let Tulsequah Chief's controversy, waste and environmental black eye to B.C. continue?"

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