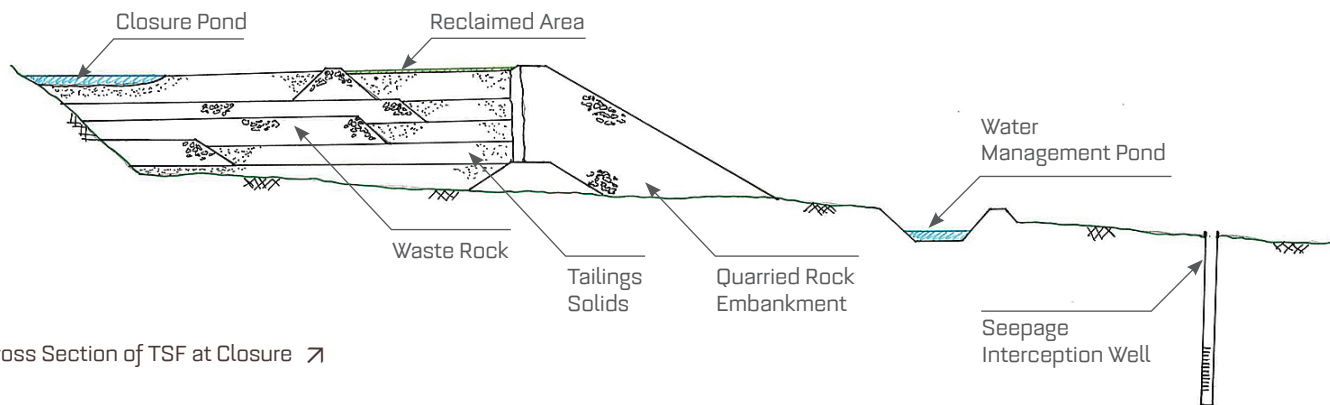




TAILINGS STORAGE FACILITY



Cross Section of TSF at Closure ↗

Tailings are a mixture of water, ground-up rock and residual traces of the reagents used in the ore concentration process. Tailings are deposited as slurry into an area impounded by rock-filled embankments called the tailings storage facility (TSF). The tailings solids settle and gradually consolidate and compact over time, and the remaining water is recycled for use in the process plant.

TSF seepage will be managed through a number of design features. These include compaction of tailings along the inside face of the zoned embankments as deposition progresses, a seepage collection system under the base of the embankments, collection drains and water management ponds around the outside

toe of the embankments, and seepage interception and pump-back wells (as needed) around the TSF to return water to the TSF. Further engineering solutions will be considered to mitigate seepage, if needed.

Structural Integrity

The Sisson TSF will be designed, constructed, operated and monitored to meet or exceed the Canadian Dam Association Guidelines, which represent international good practice to ensure the safety of modern tailings embankments. By following these guidelines, Sisson will ensure the TSF will readily withstand the effects of potential extreme precipitation events and earthquakes.

As part of our prudent approach to project development, several tailings types were studied to determine which is most effective from a technical, environmental and economic point of view. An independent and internationally recognized engineering firm carried out an alternatives analysis that examined three different tailings management methods: conventional slurry tailings, paste tailings and filtered dry stack tailings. Based on the local climate and requirements for the Project, the slurry tailings method was selected.

Our alternatives analysis and the final preferred TSF location and technology will be fully evaluated by federal and provincial regulators as part of the regulatory process for the Sisson Project.

THE SISSON PARTNERSHIP