

December 6, 2013

Sherritt Releases Independent Testing, Confirming Safety of Water in Athabasca River

Water quality test results published on www.obed.ca

Remediation work progressing well

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EDMONTON, ALBERTA – Comprehensive testing of the process water released from a pond on the Obed Mountain Mine confirms that the water quality in the Athabasca River is safe, according to findings from a team of third-party water quality and aquatic life experts, led by Millennium EMS Solutions Ltd.

Sherritt International Corporation, which owns the Obed mine, today published the test results of a comprehensive water quality monitoring program in the Apetowun Creek, Plante Creek and the Athabasca River, carried out over several weeks following the October 31 release of process water from a pond at the mine site. Additional information, including water quality test data and maps, is available at www.obed.ca.

A team of scientists, comprised of biology, hydrology and water-health experts, have completed a month-long sampling and analysis of water quality contained in the release. The results of this research are in line with the water quality results recently published by the Alberta government.

"We are publishing the sampling data because we want the public to know that our independent experts found that the water in the Athabasca River is safe," said Sean McCaughan, Sherritt's Senior Vice President, Coal. "We understand the concerns that this incident has created and we're sorry that this happened. Our employees live, fish and hunt in this region, and we are all working hard to make this right."

A paper published in the Journal of Environmental Engineering and Science in 2002 (*Characterizing sediment sources and natural hydrocarbon inputs in the lower Athabasca River, Canada*, Conly et. al., 1:187-199, 10.1139/s02-013) stated that the Athabasca River has an annual estimated sediment load from natural erosion of about 6.4 million tonnes by the time it reaches Embarras, Alberta. The analysis prepared for Sherritt has a preliminary estimate that the water released contained about 90,000 tonnes of sediment.

Sherritt is continuing to investigate what caused the water release, and is carrying out remediation work involving the two creeks, which channeled the water release into the Athabasca River.

Preliminary results show that the sediment in the Athabasca River as a result of the release had no measurable impact on fish. Testing will continue. Lab tests show that trout were able to survive in the turbid (cloudy) water that was released into the Athabasca River. It is also important to note that all the elements in the process water are naturally present in the region's overburden (soils, rock, clay and coal).

“While the results are reassuring, there is more to do remediating the affected areas, recovering sediment, assessing the impacts to fish habitat, and completing the investigation of the incident,” McCaughan said. “Assessments on the impact to fish habitat began in November, but some field work has been limited recently due to winter conditions and freezing around the creeks. Our assessment, remediation and planning work will continue through the winter and into the spring.”

Since the event occurred, Sherritt and its independent experts have been focused on minimizing impacts, communicating with stakeholders, First Nations and Métis, as well as gathering and analyzing scientific data and findings. This analysis was used to determine impacts and appropriate responses.

Impact assessed to date	Response to date
First five kilometres of Apetowun Creek saw erosion along the banks. The Athabasca River appears to have minimal or no abnormal erosion	Remediation underway. Habitat assessment and planning underway in creeks
Sediment deposits	Sediment being vacuumed from creek beds and the junction with the Athabasca River
Turbidity peaked during the first three days in the Athabasca River, but then declined as the plume traveled downstream. Turbidity has since reached seasonal levels	Monitoring fish and other aquatic species along the Athabasca River to be undertaken in the spring. Field observations with wildlife cameras indicate minimal or no impact on area wildlife
Concentrations of metals and elements in water peaked during the first three days in the Athabasca River. These changes were similar to the turbidity levels	Water quality testing to date confirmed that the Athabasca River is safe for people, fish and wildlife. Monitoring and testing continues
Sediment composition (clay, mud, shale and coal particles) was found to be consistent with material naturally occurring in soils of the surrounding area	Analysis showed this event involved a rush of muddy water for a short period of time along approximately 25 kilometres of the creeks, which then flowed into the Athabasca River, depositing sediment along the path

The October 31 breach of a berm on a pond holding process and surface runoff water released approximately 670,000 cubic metres of water mixed with naturally occurring materials, mainly clay, mud, shale and coal particles.

The company continues to cooperate with Alberta Environment and Sustainable Resource Development and is committed to complying with the environmental protection order requiring the development and implementation of several assessment, management and recovery plans. A team of environmental specialists, which includes chemists, biologists, aquatic habitat experts, hydrologists, engineers, forestry and wildlife scientists, is guiding the development of comprehensive remediation and restoration plans.

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Additional information: www.obed.ca

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