



COAL VALLEY RESOURCES INC. – *Obed Mountain Mine*

A Subsidiary of WESTMORELAND COAL COMPANY

Weekly Update Report : December 4th – December 10th, 2014








Prepared on: December 11th, 2014 Prepared by: Kari McDonald

Health and Safety:

- Please pay attention to rapidly changing weather and road conditions.

Weather

Current weather trends for the Hinton / Obed Region indicates winter conditions. Melt conditions are possible through the weekend.

| Forecast | | | | | | | 24 Hour Forecast |
|--|--|---|---|--|---|---|----------------------------------|
| Thu 11 Dec | Fri 12 Dec | Sat 13 Dec | Sun 14 Dec | Mon 15 Dec | Tue 16 Dec | Wed 17 Dec | |
|  60% |  30% |  |  |  |  |  | |
| 7°C | 4°C | 1°C | -4°C | -3°C | -2°C | -1°C | |
| -1°C | -3°C | -11°C | -13°C | -14°C | -11°C | | |

Sampling and Monitoring Activities

- Monitoring as prescribed by the LT Sampling and Monitoring Program is ongoing as per the approved winter schedule.
- Analysis of field data collection is ongoing.
- Winter sampling and monitoring (EPEA) is ongoing.

Personnel (during the period):

- Backwoods – 4,

Operations Update:

- Leveling in Yellow Pit
- Pumping from 300 pit to 400 pit – lots of storage capacity in 400 pit
- Clean discharge from MTP
- Screening 6 inch rock for Green Pit and other incident related water management
- Prepping Silver Pit for topsoil haulage from stockpile – timing for topsoil haul still undefined



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EPO Communications Weekly Summary

Table 1 – Communications and Regulatory Summary

| Title | Due | Description | Status |
|---|--|--|--|
| TFA > LOC update | January 2015 | Request for confirmation from the AER that TFA's specific to Sediment traps require an amendment to LOC or is an extension to the TFA more feasible | In development – on track AER written response will be required. |
| EPO Clause 39 Monthly Report | December 7 th | As prescribed by under the EPO | Submitted Response to questions emailed to AER December 11 th |
| HHRA – Updated Plan | November 17 th , 2014 | The HHRA resubmission to AH is tentatively scheduled for November 17 th . This date will be confirmed after the Fish Sampling and monitoring plan has received agreement from AH. | Submitted to AH Technical discussion slated for December 5 th . |
| Monitoring Reduction OBED-SUB-0036 | Submitted to AER October 30 th | This request is specific to monitoring under EPEA, winter conditions | Submitted – no communication to date |
| Sampling and Monitoring Reduction (Obed SUN-0038) | Submit to the AER Oct. 30 th | The request will focus on the reduction of sampling to accommodate winter conditions under the EPO. | Complete - Approved |
| Fish Sampling and Monitoring Report – Final Report Submission | Submitted October 31 st , 2014 | HHRA progress development and design concepts were discussed during the October 8 th conference call. | Complete |
| WATER ACT – 30 day report | November 25 th | Summary report detailing the completion of silt curtain removal as outlined in Water Act Approval – Sediment Trap Operations and Maintenance. | Complete |
| EPO Monthly Status Report | November 7 th | Clause 39 – Monthly Status Report as prescribed by the EPO | Complete |