



Red Chris Mine

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Red Chris is an open pit gold-silver-copper mine entering operation in northern British Columbia, Canada. It is the first of the so-called Candian "**Transboundary Mines**", which are situated in drainages that run into Southeast Alaska. Red Chris is operated by **Imperial Metals** and is on **Tahltan First Nation** land.

Construction and Exploration

Construction of the mine has taken two years and cost roughly **\$643** million dollars. Imperial Metals has employed aggressive cost-cutting measures in the **construction** of Red Chris, and has used only debt and its internal cash flow to finance the mine, thus allowing it to retain full ownership and control.

Exploration has **revealed** that the previous ore **reserves** estimate of 301 million tons is probably very low. Drilling has found higher quality ore below the earlier exploration, and Imperial Metals now estimates the total ore resource is around 1.3 billion tons.

Metals and Production

Red Chris was planned and permitted by a previous owner, bcMetals Corp., which was then acquired by Imperial Metals. Imperial Metals has built the permitted mine while continuing to explore and plan for a potentially much larger mine, and the current mine is designed so that it can be expanded.

Imperial Metals **estimates** there is 14 to 17 billion pounds of copper, 20 to 26 million oz gold, and 68 to 92 million oz copper in the Red Chris ore body (measure, inferred, and indicated resource). Red Chris mine is permitted to process 30,000 tons of ore per day, although Imperial Metals has stated possible ambition to increase this production as high as **150,000 tons per day**. Tailings will be stored in a conventional impoundment.

Support and Opposition

The Tahltan Central Council supports Red Chris, while the Tahltan elder group **Klabona Keepers** temporarily **blocked access** to the mine site during summer and fall of 2014, after the Mount Polley tailings breach. A **survey** conducted after the **Mount Polley tailings spill** found that a majority (55%) of Tahltan respondents still supported the project. 26% of respondents strongly opposed the mine.

Southeast Alaskans and conservation groups have **expressed strong concern** over all the transboundary mines, and their potential impacts on SE Alaska fisheries.

Tailings Spill Risk and Happenings

Imperial Metals also owns Mount Polley mine, which **suffered** a catastrophic **tailings dam failure** in August 2014. The Mount Polley breach has netted Imperial Materials **negative publicity**, and raised questions about the Red Chris tailings facility design. Compared to Mount Polley, Red Chris's tailings are **acidic**, making them potentially much more harmful in the environment.

In the wake of the Mount Polley tailings breach, a **review** of the Red Chris tailings dam design was conducted by the engineering firm Klohn Crippen Berger (KCB), after being demanded by the Tahltan. KCB found the facility design to be generally sound, but made 22 recommendations. Imperial Metals has agreed to implement KCB's recommendations, in an agreement with the Tahltan. Of key concern were the permeable soils underlying the tailings dams.

In January 2015, a government-backed independent investigation into the Mount Polley spill released its **official report**. The findings of this report may lead to changes in the Red Chris tailings dams, and possibly

in tailings dams throughout Canada and the United States.

Current Status

Red Chris began operating on February 3, 2015.

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