

October 15, 2009

Joslyn North Mine Project Joint Review Panel  
Canadian Environmental Assessment Agency  
160 Elgin Street, 22nd Floor  
Place Bell Canada  
Ottawa, ON K1A 0H3

Energy Resources Conservation Board  
Fort McMurray Regional Office  
2nd Floor, Provincial Building  
9915 Franklin Avenue  
Fort McMurray, AB T9H 2K4

Attention: Marie-France Therrien, Panel Manager

Attention: Pat Harrison, B.Sc., E.I.T.

Dear Sir/Madam:

**Subject: Joslyn North Mine Project - Progress Report – October 2009**  
**CEAR Reference Number 08-05-37519**  
**ERCB Application No. 1445535**

## **I. INTRODUCTION**

The purpose of this letter is to provide a progress report to the Joslyn North Mine Project Joint Review Panel (the "JRP" or the "Panel") as per the commitment made in the Total E&P Joslyn Limited (Total) February 2009 Progress Report.

This report includes an update on:

- Additional Information responses
- the Joslyn North Mine Project (Project) technology and engineering specific to bitumen extraction and tailings management
- associated environmental assessment
- the project update
- stakeholder consultation

## **II. ADDITIONAL INFORMATION RESPONSES**

Responses to the Additional Information requested by the Joint Review Panel in September, 2008 will be included in the submission planned for February 2010. Responses to the Additional Information Request will either be provided as standalone responses at the beginning of the submission or in that same section, the location of the response within the Project Update will be identified.



### III. TECHNOLOGY AND ENGINEERING

Work on project engineering and technology has continued since the last Progress Report was submitted in June, 2009. The main areas that have been progressed and finalized since then include:

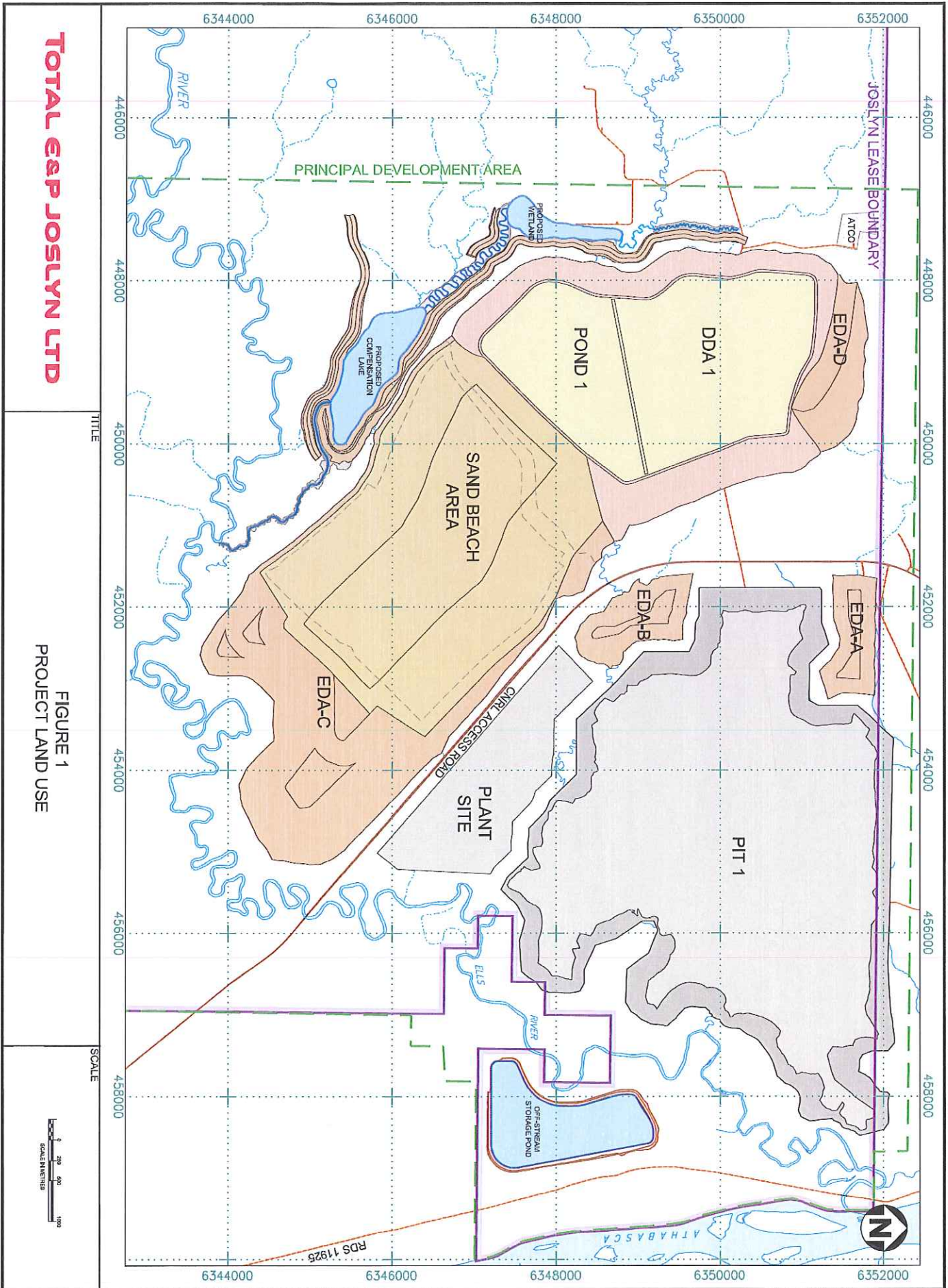
- mine plan
- process design
- tailings plan
- water management plan

Some figures showing the project site layout have been included in this Progress Report to provide the Joint Review Panel with a preview of the information that will be included in the Additional Information – Project Update planned to be submitted in February 2010. The rationale and basis for the refinements and the environmental effects will be documented in that submission.

The refinements to the project process include:

- three stages of cyclones reduced to a single stage cyclone
- replacement of primary and secondary separation tanks by a single primary separation cell (PSC)
- flotation technology (columns changed to cells)
- tailings solvent recovery unit (TSRU) increased from one to two stages
- addition of a solvent make-up unit (depentanizer)
- removal of the filtration system (filter belt)
- addition of a coarse tailings pumping system
- addition of centrifuges for fine tails treatment

For graphic purposes Figure 1 shows projected cumulative land use over the life of the Joslyn North Mine Project. Not reflected is the progressive reclamation that will be undertaken during the life of the project. Figure 2 illustrates the facilities and external disposal area (EDA) location changes, with the highlighted areas representing the 2007 Project Update locations. Figure 3 illustrates tailings disposal area changes, with the highlighted areas representing the 2007 Project Update locations. The figures show that mine project is within the Principal Development Area identified in previous regulatory submissions.



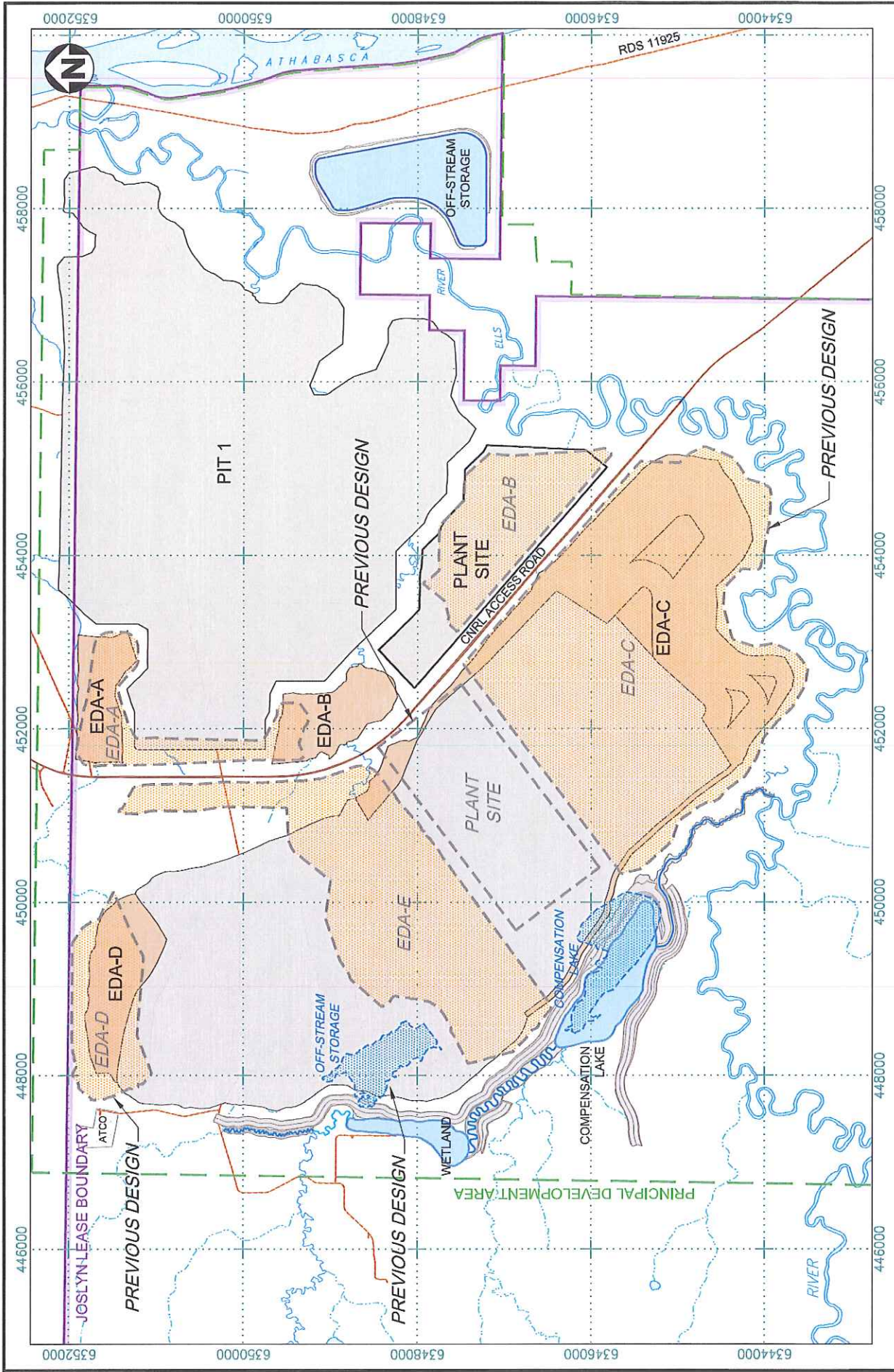
**TOTAL E&P JOSLYN LTD**

TITLE

FIGURE 1  
PROJECT LAND USE

SCALE



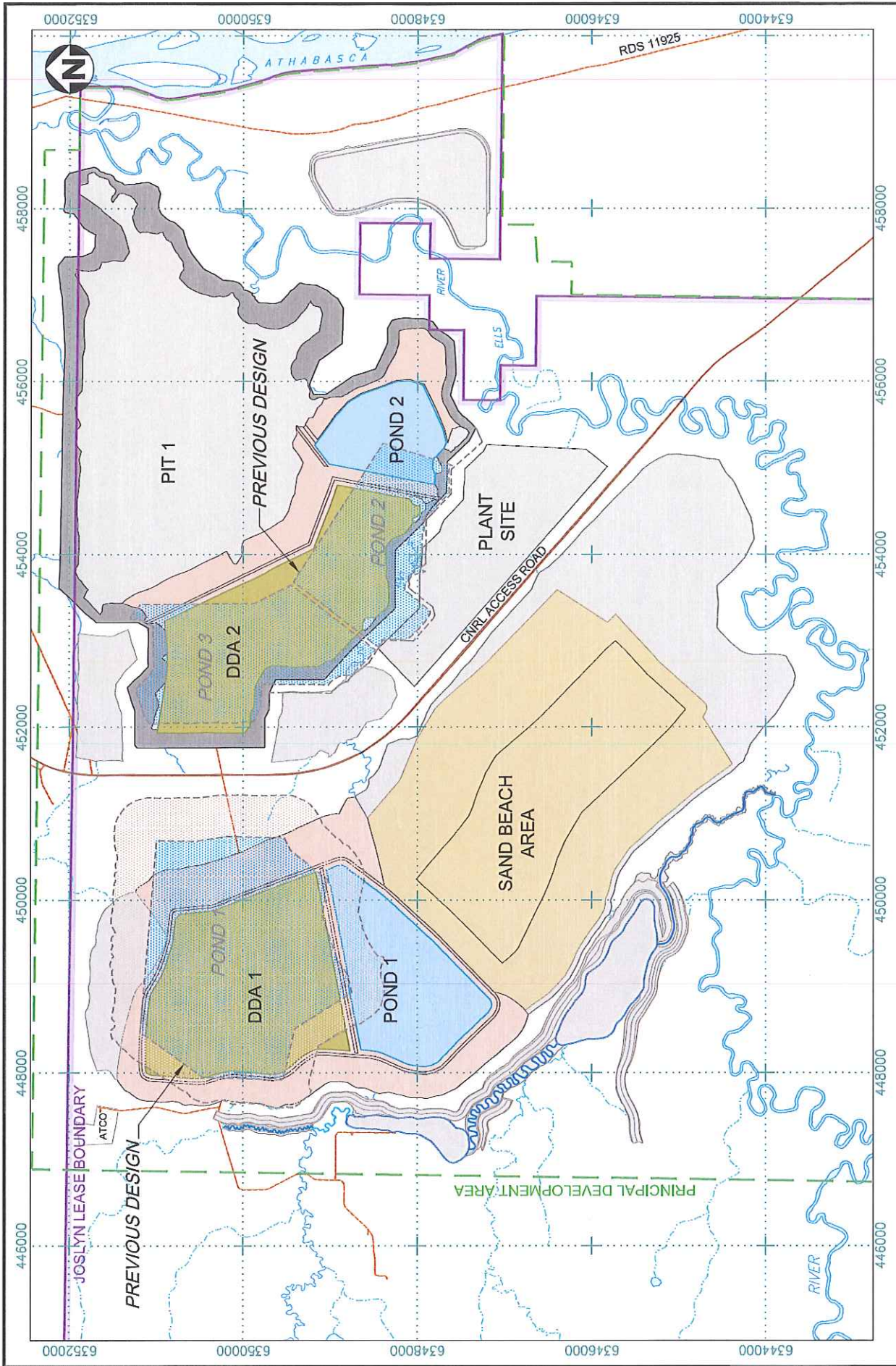


SCALE

FIGURE 2  
FACILITIES AND EXTERNAL DISPOSAL AREA LOCATION

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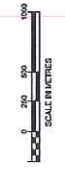


FIGURE 3  
TAILINGS AREA LOCATIONS

TITLE

**TOTAL E&P JOSLYN LTD**

#### **IV. ENVIRONMENTAL ASSESSMENT**

Parts of the environmental assessment, such as air quality modelling, have commenced while other parts will be commencing shortly as the engineering is completed (such as the revised closure drainage and reclamation plan). All of the engineering for environmental assessment purposes will be completed in the fourth quarter of 2009.

#### **V. PROJECT UPDATE**

To facilitate review of the Project Update the planned table of contents will be very similar to the 2007 Project Update table of contents. A section will be included in the document that will describe the rationale for the primary aspects of the project.

#### **VI. STAKEHOLDER CONSULTATION**

Total has continued with Aboriginal engagement activities with the intent to reaching agreement on matters such as environmental monitoring, capacity building and practical measures to reduce effects of the Project on traditional use. As contemplated in the March 20, 2009, Fort McKay Industrial Relations Corporation (IRC) letter to JRP secretariat staff, Total commenced a focused engagement process for the review of the Project Update in August, 2009 with representatives of that IRC. This was a constructive and positive meeting. A similar engagement process has been offered to the Athabasca Chipewyan First Nation (ACFN) and Mikisew Cree First Nation (MCFN), both of which have rejected the offer. Efforts will however continue to build on the current relationships and progress to a mutually agreeable agreement that addresses the concerns of those First Nations.

Traditional land use studies funded by Total continue to be prepared by both ACFN and MCFN although completion of the studies is not expected to be early enough to include in the Additional Information responses and Project Update.

Total continues to attempt to meet with the Fort McMurray First Nation IRC, although a meeting has yet to be convened. Total continues to engage with the Metis Local #1935.

Total has met twice with representatives of the Oil Sands Environmental Coalition (OSEC) to discuss the potential of OSEC conducting an environmental review of the refinements to the Joslyn North Mine Project prior to submission of the Project Update. Separate correspondence on the engagement with OSEC will be provided to the JRP.

Total representatives will be meeting later in October with one of the First Nations groups in Saskatchewan that has received Canadian Environmental Assessment Agency participant funding under the Aboriginal Funding Envelope.

## VII. ONGOING PANEL REVIEW

Total continues to anticipate that when it files the Additional Information responses and Project Update, the Panel will, pursuant to the JRP Agreement, provide an opportunity for regulators and members of the public to comment on the filed materials.

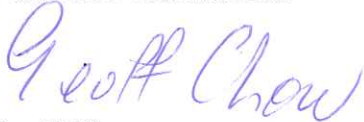
## VIII. CONCLUSION

Total continues to emphasize that it is committed to proceeding with the Joslyn North Mine Project and keeping the JRP and stakeholders apprised of its progress throughout the remainder of 2009 and into the new year. To that end a copy of the attached Joslyn North Mine Project – Progress Update newsletter, was sent to the Aboriginal groups and regulators that have an interest in the project.

If there are any questions or concerns regarding the information and timelines proposed in this letter, please do not hesitate to contact the undersigned at (403) 536-3567.

Yours truly,

Total E&P Canada Ltd.



Geoff Chow  
Manager of Regulatory Affairs

cc: Leo Piciacchia Vice President Mining Total