

**IN THE MATTER OF THE ENVIRONMENTAL ASSESSMENT ACT S.B.C. 2002, c.43
(THE "ACT")**

AND

**AN ENVIRONMENTAL ASSESSMENT OF THE PROPOSED
MOUNT KLAPPAN COAL PROJECT (THE "PROJECT")**

ORDER UNDER SECTION 10(1)(c)


WHEREAS:

- A. Fortune Coal Limited proposes to develop an anthracite coal deposit located approximately 160 kilometres northeast of Stewart, British Columbia;
- B. The Project constitutes a reviewable project pursuant to Part 3 of the Reviewable Projects Regulation (B.C. Reg. 370/02) as the Project is a new mine facility that, during operation, will have a production capacity of 250,000 tonnes or more per year of clean coal;
- C. On October 4, 2004, the Executive Director, in accordance with section 4 of the Act, delegated certain statutory and regulatory powers and duties in relation to the Project to the undersigned Project Assessment Director; and
- D. The undersigned Project Assessment Director considers that the Project may have significant adverse effects, taking into account practical means of preventing or reducing to an acceptable level any potential adverse effects of the Project.

NOW THEREFORE:

Pursuant to section 10(1)(c) of the Act, the undersigned Project Assessment Director orders that:

- (i) an environmental assessment certificate is required for the Project; and
- (ii) the Proponent may not proceed with the Project without an assessment.



Anne Currie
Project Assessment Director
Environmental Assessment Office

Dated October 8, 2004 at Victoria, British Columbia.