

GARDINER ROBERTS

lan A. Blue, O.C.

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June 8, 2011

E-FILED

Ms. Kirsten Walli Secretary Ontario Energy Board Suite 2700, 2300 Yonge Street (27TH Floor) P.O. Box 2319 Toronto, ON M4P 1E4

Dear Ms. Walli,

Re: EB-2011-0106

Goldcorp's Section 92 Harry's Corner to Balmertown TS Transmission Line; June 7th, 2011 Motion Hearing

I enclose herewith a response to undertaking JM1.2 given at yesterday's motion of June 7, 2011.

Yours truly,

Gardiner Roberts LLP

Ian A. Blue

cc. David Leitch (by e-mail) Kristi Sebalj (by e-mail)

Enclosure

TORONTO-#242480-v1-Letter to OEB June 8 2011



June 8, 2011 EB-2011-0106

Goldcorp's Response to Undertaking JM1.2 requested of Goldcorp by Panel Member Marika Hare on June 7th, 2011

Request: Please describe the land rights that Goldcorp will obtain from MNR for its proposed 115 kV Transmission Line.

Response: The rights that Goldcorp will receive from MNR to place its 115 kV transmission line on Crown land will be a land use permit issued under the Land Use Permits Regulation, O. Reg. 973, under the *Public Lands Act*. The land use permit is worded similarly to an easement agreement but does not confer any right registerable on title. Attached, as an example, is a copy of O. Reg. 973, an executed Letter of Authority from MNR and an Executed MNR Memorandum of Agreement respecting a distribution line. These are type of legal documents that Goldcorp expects to receive from MNR.



ServiceOntario

e-Laws

Français

Public Lands Act

R.R.O. 1990, REGULATION 973 LAND USE PERMITS

Consolidation Period: From July 27, 2007 to the e-Laws currency date.

Last amendment: O. Reg. 417/07

This is the English version of a bilingual regulation.

- 1. Subject to any terms and conditions that are consistent with the Act and the regulations,
- (a) a district manager or his or her delegate may issue, in respect of public lands in the administrative district administered by the manager, a land use permit permitting the holder to occupy the public lands described in the permit for the purposes stated in it;
- (b) the Manager, Land Management Section, may issue, in respect of public lands situated in two or more administrative districts, a land use permit permitting the holder to occupy the public lands described in the permit for the purposes stated in it. O. Reg. 417/07, s. 1.
- 2. A land use permit shall be in the form furnished by the Ministry. R.R.O. 1990, Reg. 973, s. 2.

<u>Français</u>

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Ministry of Natural Resources Ministère des Richesses naturelles

Visit us at our webs ite http://www.gov.on.ca

Call any MNR Office in Ontario for information at -1-800-667-1940 (English) ... or ... 1-800-667-1840 (French) 8:30 am to 5:00 pm - Monday to Friday

Timmins District Office
Ontario Government Complex
P.O. Bag 3090, Hwy. 101 East
South Porcupine, ON PON 1H0

Telephone: (705) 235-1300 Facsimile: (705) 235-1377

December 10, 2007

Goldcorp Canada Ltd.
P.O. Box 70
4315 Gold Minæ Road
South Porcupinæ ON P0N 1H0

SUBJECT: ELECTRICAL DISTRIBUTION LINE LOCATION AND MAINTENANCE, CROWN LANDS WHITNEY TOWNSHIP, TIMMINS AREA, ONTARIO

You have advised that Goldcorp Canada Ltd. and Kinross Gold Corporation (jointly hereafter referred to as "Goldcorp Canada Ltd.") will be selling the Bell Creek Mine and Mill located in or about Timmins, Ontario to Lake Shore Gold Corp. It is anticipated that this transaction will be completed on or about November 30, 2007 (the actual date of completion, hereinafter the "Lake Shore Acquisition Date").

The electrical distribution line supplying electricity to the Bell Creek Mine and Mill is located partly on lands owned by Goldcorp Canada Ltd. and partly on Crown (MNR) Lands and lands registered in the name of the Crown as represented by the Minister of Public Works now deemed the Minister of Public Infrastructure Renewal by Order-in-Council, on behalf of MNR (all of the foregoing lands collectively the "Crown Lands", as such Crown Lands are described on the attached Schedule "A"). The aforesaid electrical distribution line includes a communications line and all works and installations related to such electrical and communication lines (such lines and works and installations hereinafter collectively, the "Bell Creek Electrical Line"). After the sale of the Bell Creek Mine and Mill to Lake Shore Gold Corp., Goldcorp Canada Ltd. will retain title to the Bell Creek Electrical Line and will lease such assets to Lake Shore Gold Corp.

You have advised that Goldcorp Canada Ltd. is the operator of the mining business jointly carried out by it and Kinross Gold Corporation in Canada and that Lake Shore Gold Corp. is not an agent of Goldcorp Canada Ltd.

You have requested of our office that Goldcorp Canada Ltd., and Lake Shore Gold Corp. from and after the Lake Shore Acquisition Date as lessee of the Bell Creek Electrical Line from Goldcorp Canada Ltd., be authorized to locate, upgrade, operate and conduct maintenance of the Bell Creek Electrical Line located on the Crown Lands and that their respective employees, agents, contractors or subcontractors (and the employees of such agents, contractors or subcontractors) be granted access to the Crown Lands, with or without tools, machinery or equipment, for the purposes of locating, upgrading, operating and conducting maintenance on the Bell Creek Electrical Line from time to time.

Our office has completed a review of your request to locate, upgrade, operate and conduct maintenance in respect of the Bell Creek Electrical Line on the Crown Lands.

Please consider this letter as the authority of the Minister of Natural Resources (the "Minister") for:

- 1. Goldcorp Canada Ltd. and it's agents, employees, contractors or subcontractors (and the employees of such agents, contractors and subcontractors) to locate, upgrade, operate and conduct maintenance of the Bell Creek Electrical Line on the Crown Lands and to enter upon such Crown Lands, with or without tools, machinery or equipment, for the purposes of locating, upgrading, operating and conducting maintenance on the Bell Creek Electrical Line on the Crown Lands from time to time; and
- 2. Lake Shore Gold Corp. and it's agents, employees, contractors or subcontractors (and the employees such agents, contractors and subcontractors), from and after the Lake Shore Acquisition Date, to locate, upgrade, operate and conduct maintenance on the Bell Creek Electrical Line on the Crown Lands and, from and after the Lake Shore Acquisition Date, to enter upon such Crown Lands, with or without tools, machinery or equipment, for the purposes of locating, upgrading, operating and conducting maintenance on the Bell Creek Electrical Line on the Crown Lands from time to time.
- 3. The foregoing authorities are granted conditional upon the following:
 - (i) rao gates or access restrictions are to be installed on Crown Land without prior approval by this office;

 - (iii) suppropriate cautionary signage shall be installed to address public safety;

- (iv) no aggregate shall be extracted or merchantable timber cut from the Crown Lands without specific Crown approval in accordance with applicable laws, regulations and administrative procedures;
- (v) no hazardous or deleterious materials or substances for which either of Goldcorp Canada Ltd. or Lake Shore Gold Corp. or their employees, agents, contractors or subcontractors are responsible will be allowed to Leach or enter into any surface water or ground water located on or under the Crown Lands; and
- (vi) Goldcorp Canada Ltd., and Lake Shore Gold Corp. from and after the Lake Shore Acquisition Date, covenant to indemnify and forever save and keep harmless the Crown, its officers, servants and agents from and against any and all claims, demands, suits, actions, damages, loss, cost or expenses arising out of any injury to persons including death, or loss or clamage to property of others which may be or be alleged to be caused by or suffered as a result of or in any manner associated with the exercise of any right or privilege granted to it by this Letter of Authority.

The authorities granted by the Minister herein shall be for so long as the Bell Creek Electrical Line is located on the Crown Lands by Goldcorp Canada Ltd. or Lake Shore Gold Corp. or until such authorities are otherwise terminated by notice in writing from the Minister to such effect in the event that either of Goldcorp Canada Ltd. or Lake Shore Gold Corp. breaches any of the foregoing conditions and fails to (i) cure such breach within thirty days of the date of receipt of notice from this office that such breach has occurred or (ii) commence to cure such breach within thirty days of the date of receipt of notice from this office that such breach has occurred and such breach is not capable of being cured within such thirty day period.

If you have any questions or concerns, please contact me at (705) 235-1337.

Sincerely,

Glen McFarlan e

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Area Supervisor, Timmins District MNR

Schedule "A"

MINING	. Vict	B V P CE1	PROPERTY	RIGHTS	TOWNSHIP	OWNER
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Memorandum of Agreement for Location of Unassumed Road on Crown Lands

Goldcorp Canada Ltd. and Kinross Gold Corporation (jointly hereafter referred to as Goldcorp Canada Ltd.) have advised that they will be selling the Bell Creek Mine and Mill located in or about Timmins, Ontario to Lake Shore Gold Corp. It is anticipated that this transaction will be completed on or about December 14, 2007 (the actual date of completion, hereinafter the "Lake Shore Acquisition Date"). The existing access road to the Bell Creek Mine and Mill is an unassumed road located partly on lands owned by Goldcorp Canada Ltd. and partly on Crown Lands and lands registered in the name of the Crown as represented by the Minister of Public Works now deemed the Minister of Public Intrastructure Renewal by Order-in-Council, on behalf of MNR (all such foregoing lands hereinafter the "Crown Lands", as described on Schedule "A" attached hereto). Sections north and south of the aforesaid unassumed access road (the "Bell Creek Access Road") are owned by Goldcorp Canada Ltd. After the sale of the Bell Creek Mine and Mill to Lake Shore Gold Corp., Goldcorp Canada Ltd. will retain title to the sections they currently own of Bell Creek Access Road and will grant an access right over such road to Lake Shore Gold Corp. for access to and egress from the Bell Creek Mine and Mill.

Lake Shore Gold Corp. is not an agent of Goldcorp Canada Ltd

The undersigned Province of Ontario in the right of the Minister of Natural Resources (the "Minister") hereby grants to Goldcorp Canada Ltd., and from and after the Lake Shore Acquisition Date to Lake Shore Gold Corp. as holder of a grant of access right from Goldcorp Canada Ltd., the authority to locate, upgrade and maintain the Bell Creek Access Road on and along the Crown Lands in compliance with work permit policy 3.03.04 under the *Public Lands Act.*, together with a right of access to Goldcorp Canada Ltd., and from and after the Lake Shore Acquisition Date to Lake Shore Gold Corp. as the holder of a grant of access right from Goldcorp Canada Ltd., and their respective agents, employees, contractors or subcontractors (and the employees of such agents, contractors and subcontractors), with or without tools, machinery or equipment, to locate, upgrade and maintain the Bell Creek Access Road located on the Crown Lands and for ingress and egress for vehicles and pedestrians to and from the Bell Creek Mine and Mill along and over the Bell Creek Access Road located on the Crown Lands.

The Minister, Goldcorp Canada Ltd. and Lake Shore Gold Corp. hereby undertake and agree as follows:

- 1. (a) Goldcorp Canada Ltd., and from and after the Lake Shore Acquisition Date Lake Shore Gold Corp. as holder of a grant of access right from Goldcorp Canada Ltd., shall be fully responsible for and shall inspect and maintain the Bell Creek Access Road under the authority of the *Public Lands Act* for as long as it is being used by Goldcorp Canada Ltd. or Lake Shore Gold Corp.
 - (b) In the event that Goldcorp Canada Ltd. and Lake Shore, acting jointly, propose to discontinue use of the road, they shall jointly give the MNR District Manager at least one (1) month written notice of the date upon which use, inspection and maintenance of the road, will be discontinued.
- (a) Goldcorp Canada Ltd. shall have the right to remove the roadbed in respect of which
 notice is given under clause 1(b) and Goldcorp Canada Ltd. shall indicate in the
 notice whether or not Goldcorp Canada Ltd. intends to exercise the right of removal.
 - (b) Where Goldcorp Canada Ltd. indicates in a notice given under clause 1(b) that Goldcorp Canada Ltd. will not exercise Goldcorp Canada Ltd. right of removal under clause 2(a), the MNR District Manager shall, within sixty (60) days of receipt of such notice, give written notice to Goldcorp Canada Ltd. as to whether or not the Minister requires that the road be removed.
 - Where the MNR District Manager gives notice under clause 2(b) that the road is not to be removed, the road shall, upon the date specified in clause 1(b), become the property of the Crown and without payment of compensation therefore by the Crown, and Goldcorp Canada Ltd. and Lake Shore Gold Corp. shall thereupon be relieved of all right, title, interest in and to, and all responsibility and liability in respect of, the

road

- (d) Where Goldcorp Canada Ltd. indicates in a notice under clause 1(b) that Goldcorp Canada Ltd. intends to remove the roadbed or where the District Manager gives notice under clause 2(b) that the roadbed is to be removed, Goldcorp Canada Ltd. shall, as soon as practicable after the date specified in the notice under clause 1(b), remove the roadbed and restore the road site to a safe and stable condition to the satisfaction of the MNR District Manager acting reasonably.
- 3. Goldcorp Canada Ltd. and Lake Shore Gold Corp. understand and acknowledge that in the event Goldcorp Canada Ltd. or Lake Shore Gold Corp. fail to carry out the inspection and maintenance referred to in clause 1(a), or Goldcorp Canada Ltd. fails to effect the removal of the roadbed and the restoration of the site as required under clause 2(b), the Minister may cause the inspection and maintenance to be carried out by Goldcorp Canada Ltd. or Lake Shore Gold Corp., or the removal and restoration to be carried out by Goldcorp Canada Ltd., and Goldcorp Canada Ltd. and Lake Shore Gold Corp. agree to reimburse the Minister the cost and expense incurred in so inspecting and maintaining the Bell Creek Access Road and Goldcorp Canada Ltd. agrees to reimburse the Minister the cost and expense of such removal and restoration.
- 4. The foregoing authorities are granted conditional upon the following:
 - (i) no gates or access restrictions are to be installed on the Crown Lands without prior approval by this office;
 - (ii) all garbage shall be removed from the site on an ongoing basis and upon completion of any work upon the Bell Creek Access Road;
 - (iii) appropriate cautionary signage shall be installed to address public safety;
 - (iv) no aggregate shall be extracted or merchantable timber cut from the Crown Lands without specific Crown approval in accordance with applicable laws, regulations and administrative procedures;
 - (v) no hazardous or deleterious materials or substances for which either of Goldcorp Canada Ltd. or Lake Shore Gold Corp. or their agents, employees, contractors or subcontractors are responsible will be allowed to leach or enter into any surface water or ground water located on or under the Crown Lands; and
 - (vi) Goldcorp Canada Ltd., and Lake Shore Gold Corp. from and after the Lake Shore Acquisition Date, covenant to indemnify and forever save and keep harmless the Crown, its officers, servants and agents from and against any and all claims, demands, suits, actions, damages, loss, cost or expenses arising out of any injury to persons including death, or loss or damage to property of others which may be or be alleged to be caused by or suffered as a result of or in any manner associated with the exercise of any right or privilege granted to it by this Memorandum of Agreement.
- Neither the Crown Lands nor the Bell Creek Access Road shall be used by Goldcorp Canada Ltd. or Lake Shore Gold Corp. or other permitted persons and no work shall be performed upon nor any materials transported over the Bell Creek Access Road, except at all times in accordance with all applicable laws and regulations and the terms of this Memorandum of Agreement.
- The authorities granted by the Minister herein shall be for so long as the Bell Creek Access Road is located on the Crown Lands by Goldcorp Canada Ltd. or Lake Shore Gold Corp. or until such authorities are otherwise terminated by notice in writing from the Minister to such effect in the event that either of Goldcorp Canada Ltd. or Lake Shore Gold Corp. breaches any of the foregoing conditions and fails to (i) cure such breach within thirty days of the date of receipt of notice from this office that such breach has occurred or (ii) commence to cure such breach within thirty days of the date of receipt of notice from this office that such breach has occurred and such breach is not capable of being cured within such thirty day period.

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Goldcorp Canada Ltd.	Province of Ontario
Per: Ag Komer	Per:MNR Issuing Officer
Per: 22	
Date Dec. 12/07	Date
Lake Shore Gold Corp.	
Per: Cust	

Date

Goldcorp Canada Ltd.	Her Majesty the Queen in right of th Province of Ontario
Peri	Per: MNR Issuing Officer
Date	Date
Lake Shore Gold Corp. Per:	
Date 14/04	

Schedule "A"

			PROPERTY			
	PIN	PARCEI.	DESCRIPTION	RIGHTS	TOWNSHIP	OWNER
6547	65477-0047 (LT)	TW7886	SW74, N52 L9, C6	SR PATENTED	WHITNEY	WHITNEY CROWN - PIR (successor to Public Works)
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7			NW14 N.5. L9, C5	SRO-CROWN LAND	WHITNEY	WHITTNEY CROWN MINR