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عمهد ۱۳۹۷ محمد ۱۳۹۹ محمد NUNAVUT IMALIRIYIN KATIMAYINGI NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

File No: 1AR-NAN0208

September 29, 2008

Mr. Robert Carreau, Vice President CanZinco Ltd. 95 Wellington Street West, Suite 950 Toronto, ON M5J 2N7

E-mail: bcarreau@breakwater.ca

Subject: CanZinco Limited – Nanisivik Project – Amendment/Renewal – Type "A"

Dear Mr. Carreau:

The Nunavut Water Board ("NWB") acknowledges receipt, on June 7, 2006 and February 21, 2008, of amendment/renewal applications for a Type "A" water license for water use and waste disposal associated with activities for the Nanisivik Mine in the Qikiqtani region of Nunavut.

The application can be obtained from our ftp site, User name: public, Password: registry at the following link:

ftp://nunavutwaterboard.org/1 - INDUSTRIAL/1AR - REMEDIATION/1AR-NAN0208/2008 Renewal or by contacting our office. The following documents were submitted in support of the applications:

- 1. Cover letter dated June 7, 2006 request for amendment
- 2. Water Licence Application Form dated 17/08/06
- 3. Letter dated June 16, 2006 request for amendment
- 4. Letter dated May 30, 2008, Nanisivik Mine Licence Renewal
- 5. Water Licence Application Form dated February 15, 2008
- 6. BGC Memo dated May 31, 2008 Proposed 2008-2012 Geotechnical Monitoring Schedule
- 7. 2006 Annual Report
- 8. Reclamation Activities Quarterly Report 1st quarter 2007
- 9. Reclamation Activities Quarterly Report 2nd quarter 2007 10. Reclamation Activities Quarterly Report 3rd quarter 2007
- 11. Reclamation Activities Quarterly Report 4th quarter 2007
- 12. BGC 2007 Annual Geotechnical Inspection Report
- 13. April 9, 2008 Gartner Lee Ltd. Issuance of the Nanisivik Mine Summary of Contaminated Soil Remediation, Interim Close Out Report – Dock Area
- 14. May 30, 2008 BGC Nanisivik Mine Hydraulic Structures, As-Built Report
- 15. April 30, 2008 BGC Reclamation of Mine Openings As-Built Report
- 16. Letter from CanZinco dated May 30, 2008 Nanisivik Mine Licence Renewal

- 17. October 15, 2007 Nanisivik Reclamation Update
- 18. April 14, 2008 BGC Surface Reclamation Covers As-Built Report
- 19. May 30, 2008 Jacques Whitford to BWR Recommended Water Quality Monitoring for Closure Period Nanisivik Mine

The NWB undertook a preliminary review of your application and concluded that it meets the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* ("Act"). However, the NWB retains the right to request additional information and studies pursuant to sections 48(2) of the Act or to issue guidelines for the provision of information pursuant to section 48(3) of the Act. A NWB Technical Advisor may be in touch with you to clarify any technical details related to your application.

On June 19, 2008 the Nunavut Planning Commission ("NPC") provided a positive conformity to the North Baffin Regional Land Use Plan, in accordance with S.11.5.10 of the Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada ("NLCA"). Subsequently, on September 3, 2008 the Nunavut Impact Review Board ("NIRB") determined that the renewal does not significantly change the general scope of the original project activities and therefore the NIRB has re-issued the recommended project-specific terms and conditions contained in the October 7, 2002 Screening Decision, NIRB file No.: 02MC117.

In accordance with subsection 55(1) of the Act, the Board gives notice of the application and invites interested persons to make representations to the Board on or before November 3, 2008. Failure to respond to this notice within the specified period will result in the loss of the right to be compensated pursuant to sections 58 to 60 of the Nunavut Waters and Nunavut Surface Rights Tribunal Act.

By copy of this letter to the distribution list, all interested parties are requested to complete a thorough technical assessment of the Application. Throughout the technical phase, interested parties are encouraged to work cooperatively with the Applicant to discuss issues in advance of proposed technical meetings. Comments shall be filed in writing to Phyllis Beaulieu, Manager of Licensing at licensing@nunavutwaterboard.org no later than November 3, 2008.

If you have any questions or require clarification on the above you may contact the undersigned by telephone at (867) 360-6338, or by email at licensing@nunavutwaterboard.org.

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing

Enclosure: Notice of Application

Cc: Distribution List – Qikiqtani