

NWB File No: 1AR-NAN1419

July 26, 2019

Johan Skoglund, Canzinco Mines Ltd. c/o Nyrstar Tessinerplatz 7, 8002 Zurich, Switzerland

Email: johan.skoglund@nyrstar.com

Subject: Licence No. 1AR-NAN1419; Amendment and Renewal Application by

Canzinco Mines Ltd. for Continued Reclamation and Post-Closure

Monitoring Activities, Nanisivik Mine Project.

Dear Mr. Skoglund,

Further to the Nunavut Water Board (NWB or Board) correspondence¹ of June 25, 2019 with respect to the determination of completeness of the 1AR-NAN1419 Amendment and Renewal application and supporting documentation (Application) submitted by Canzinco Mines Ltd. (Canzinco or Applicant), a wholly owned subsidiary of Breakwater Resources Ltd., which in turn is a wholly owned subsidiary of Nyrstar Sales and Marketing AG, for the Continued Reclamation and Post-Closure Monitoring Activities of the Nanisivik Mine Project, the Board received comments² from an intervening party including: Crown Indigenous Relations and Northern Affairs Canada (CIRNAC or known currently as CIRNA). The NWB did not receive any indication that the Application should not proceed through the regulatory process.

On July 12, 2019, Canzinco provided responses³ to completeness review related comments made by CIRNA. On July 19, 2019, CIRNA responded that they were satisfied by the Applicant's response and that the Application can proceed to a Full Technical Review.

Copies of the comments received from Intervening parties, submissions from the Applicant, and all documents associated with the Application have been placed in the Board's Public Registry and made available through the NWB's FTP site using the following link:

¹ Letter from R. Dwyer, NWB, to J. Skoglund, Canzinco, Re: 1AR-NAN1419 Nanisivik Mine Amendment & Renewal Application Completeness Check, June 25, 2019:

² Crown Indigenous Relations and Northern Affairs (CIRNA or CIRNAC), July 10, 2019;

³ Letter from J. Skoglund, Canzinco, to R. Dwyer, NWB, Response to comments for Amendment and Renewal of Type A Water Licence for the Nanisivik Mine Project.

ftp://ftp.nwb-oen.ca/registry/1%20INDUSTRIAL/1A/1AR%20-%20Remediation/1AR-NAN1419/1%20APPLICATION/2019%20Amend Renewal/

Based on the scope and nature of undertaking, the Application has been deemed to be a complete application for the Amendment and Renewal of Type "A" Water Licence. As such, it will require a public hearing as required by the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA). All public hearing matters will be carried out in accordance with the Board's *Rules of Practice and Procedure for Public Hearing* dated May 11, 2005 (NWB Rules).

NWB Notice of Application and Commencement of Technical Review

The NWB has determined through the completeness and preliminary assessment, which took into consideration the Application, Interveners' submissions, and the Board's initial review, that the Application submitted by Canzinco generally constitutes an administratively and materially complete Application in accordance with the Guides⁴. The Board has therefore decided that the Application can proceed to the next stage(s) of the licensing process, subject to any outstanding pre-licensing considerations that may be associated with the Application. The NWB retains the rights, however, to request additional information and studies pursuant to s.s. 48(2) of the NWNSRTA or to issue additional guidelines for the provision of information pursuant to s.s. 48(3) of the NWNSRTA, if it becomes necessary.

In accordance with s.s. 55(1) of the NWNSRTA, the **Board gives notice of the Application** and invites interested persons to make representation to the Board no later than **August 16, 2019** (3:00 p.m., MST). Notice of the Application will also be forwarded to the council of each municipality in the area(s) most affected by the Application and shall be published in a newspaper of general circulation in the area(s) affected or, if there is no such newspaper, in such other manner as the Board considers appropriate. Parties are advised that the consequences of failure to respond are outlined in s. 59 and s.s. 60(2) of the NWNSRTA⁵.

By copy of this letter to the distribution list, all interested parties or persons are requested to complete a thorough technical assessment of the Application for the Amendment and Renewal of Type "A" Water License 1AR-NAN1419, available from the NWB Public Registry or by directly contacting Johan Skoglund, Canzinco at johan.skoglund@nyrstar.com.

Next Steps in the Process

The next steps in the Board's consideration of the Application by Canzinco in respect of the Nanisivik Mine Project, have been outlined as follows for the information of all parties. Please note that the Board reserves the right to revise the next steps and timelines if circumstances dictate:

P.O. Box 119, Gjoa Haven, NU XOB 1JO, Tel: (867) 360-6338, Fax: (867) 360-6369

⁴ The minimum information requirements set out in the NWB Guidance Documents

Guide 4 - Completing and Submitting a Water Licence Application for a New Licence, July 2015

Guide 7 – Licensee Requirements following the Issuance of a Water Licence, July 2015

⁵ Section 59: In the circumstances described in paragraph 58(b), an applicant need not compensate the person under section 58 if the person fails to respond to the notice of application given under subsection 55(1) within the time period

Steps Preceding Technical Meeting

July 26, 2019:	Commencement of the technical review period; parties are asked to provide their technical review comments
August 16, 2019:	Submission of technical review comments and representations to the Board
August 26, 2019:	Canzinco to provide response(s) to technical review comments Parties given an opportunity to review responses from Canzinco
August 29, 2019:	Circulation of draft agenda for the Technical Meeting.
September 04, 2019:	Submission of Proponent's and parties' presentations for the proposed technical meeting (including translated versions).
September 06, 2019:	Circulation of final agenda for the Technical Meeting.

Steps including and following Technical Meeting

1. Technical Meeting-Pre-Hearing Conference (TM-PHC): September 12-13, 2019

Rule 14 of the NWB Rules permits the Board, through its staff or in conjunction with staff, to hold a Technical Meeting (TM) and Pre-hearing Conference (PHC) with interested parties, either in writing, by teleconference, or in person.

The Board has directed the staff of the NWB, in accordance with the NWB Rules, to hold the TM/PHC for the Application, by teleconference, on the week of **September 9, 2019** (tentatively on **September 12-13, 2019**). Interested persons should note that in advance of the date on which the TM/PHC will be held the NWB will issue correspondence that will confirm dates and provide other relevant details.

2. Pre-Hearing Conference (PHC) Decision

Following the TM/PHC, the NWB will issue a PHC decision and may outline the technical commitments of the Applicant and the administrative and procedural requirements for a Public Hearing.

Public Hearing (PH) Notice

Sub-section 55(2) of the NWNSRTA requires that a minimum notice period of sixty (60) days be provided for a Public Hearing (PH). As with the Technical Meeting / Pre-hearing Conference, the Board has the ability to conduct its Public Hearing in writing, by teleconference, or in person. Once the Board has received all information requested through this process and is satisfied that the Public Hearing should proceed, the type or place, date, and time of the hearing will be determined, and a notice will be published by the Board in advance of the Public Hearing and in a manner that promotes public awareness and participation in the hearing.

3. Public Hearing Decision

Following the Public Hearing, the Board will issue a final written decision with reasons (final decision). The final decision will be provided to the Minister of Crown-Indigenous Relations and Northern Affairs (CIRNA) for the Minister's decision. Interested and intervening parties will also be provided with a copy of the Board's final decision as well as the Minister's decision.

Throughout the technical review phase, interested parties are encouraged to work cooperatively with Canzinco to discuss issues in advance of the proposed Technical Meeting / Pre-hearing Conference. The NWB, however, requests to be kept informed of any issues and any agreement reached between the parties on specific issues related to the Application. The Board also asks that all technical review comments, particularly for matters such as air quality, noise, and wildlife, be provided within the limits of the NWB's jurisdiction over the use of waters and the deposit of waste in waters or that may enter waters.

All submissions pertaining to this file should be provided to the NWB's Manager of Licensing by email to licensing@nwb-oen.ca prior to Friday, August 16, 2019 (3:00 p.m., MST).

If you have any questions regarding procedural matters related to the file, please contact Richard Dwyer, Licensing Manager, at <u>richard.dwyer@nwb-oen.ca</u> or by phone at (867) 360-6338 (ext. 27). For any Technical inquiries, please contact Mohammad Ali Shaikh, Technical Advisor at <u>ali.shaikh@nwb-oen.ca</u> or by phone at 867-360-6338, ext. 33.

Sincerely,

Stephanie Autut Executive Director Nunavut Water Board

SA/as/rqd

Cc: Nanisivik Distribution List