



Fisheries and Oceans  
Canada

Pêches et Océans  
Canada

Central and Arctic Region  
520 Exmouth Street  
Sarnia, Ontario  
N7T 8B1

Région du centre et de l'arctique  
520 Rue Exmouth  
Sarnia, Ontario  
N7T 8B1

September 30<sup>th</sup>, 2014

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
Gjoa Haven, NU X0B 1J0

Dear Phyllis Beaulieu:

**Re: DFO Response to PHC List of Commitments**

As outlined in Appendix C of the Nunavut Water Board's Pre-Hearing Conference Decision, Fisheries and Oceans Canada (DFO) committed to provide additional information on several topics. A summary of the information is provided below.

**Commitment 5 – Copy of Memorandum of Agreement (MOA)**

As requested, attached is a copy of the MOA between DFO and CanZinco Mines Ltd. for storage of soil on the concrete pad at Nanisivik through August 1, 2015.

**Commitment 6 – Information on the lease between DFO and Canzinc Ltd.**

Since 1978 the Crown, most recently represented by the Minister of Fisheries and Oceans, has leased approximately 30.36 acres of land to Nanisivik Mines Ltd. in relation to the operation of the Nanisivik Mine. The last version of the lease, No. L-9195399 (Attachment 2), between DFO and Nanisivik Mines Ltd. (a subsidiary of Canzinc Ltd.) expired on December 31, 2003 and was not renewed. Section 12 of the lease states that "...the Landlord shall have the right and option to require the Tenant, upon written notice, to remove any or all of the structures and fixtures affixed upon the Leased Premises by the Tenant, and the Tenant shall upon the receipt thereof promptly remove those structures and fixtures and restore the Leased Premises to their original condition as of the date of this Lease,...". The letter from DFO to Breakwater Resources Ltd., then owner of Canzinc Ltd. (Attachment 3) includes such a request. Although the lease was not renewed following expiry in 2003, Section 34 outlines that the obligations included in the lease remain in place following cancellation or expiry of the lease.

Please contact me if you have any questions resulting from the attached information. I can be reached by phone at (519)-464-5129 or email at [kevin.bill@dfo-mpo.gc.ca](mailto:kevin.bill@dfo-mpo.gc.ca).

Sincerely,

***Original Signed by***

Kevin Bill  
Real Property, Safety & Security

cc. Lawrence Swift, A/Director – RPSS, Central and Arctic Region  
Andrea Cyr, A/Associate Regional Director General, Central and Arctic Region

**Attachments:**

1. MOA: DFO – CanZinco Mines Ltd. July 25, 2014
2. Duplicate of Lease No. L-9195399 DFO - Canzinc Ltd
3. Letter from DFO to Canzinc Ltd. February 19, 2009