

Intervention – 2004 Nanisivik Reclamation and Closure Plan

Arctic Bay
June 3-4, 2004

Nunavut Water Board Public Hearing

Canada

Introduction

- Water License NWB1NAN0208 (the Current License) was issued by the Nunavut Water Board (NWB) in October, 2002
- Part G of the Current License sets guidelines for the documents required for the Nanisivik Mine Reclamation and Closure Plan (RCP)
- In accordance with Part G, CanZinco Ltd. (the Proponent) submitted the Nanisivik Mine RCP in March 2004 for NWB approval

Overview

- Introduction
- INAC Regulatory Obligations
- Outstanding issues and recommendations by Water License requirement (G3-17)
- Conclusion

Indian and Northern Affairs – Regulatory Obligations

- INAC Minister granted final approval of NWB issued Water License NWB1NAN0208
- INAC monitors and enforces conditions of the Water License
- INAC administers 6 land leases and 4 quarry permits on Crown Land for the Nanisivik Mine

Exhibit: 8 Date: June 4/04
Exam of: D. HIND
TARA LUTZ, C.

Status of Reclamation and Closure Plan review

- INAC RCP review based on the Human Health and Ecological Risk Assessment (approved November 2003), the Nanisivik Mine 2004 RCP, and all documentation received by the NWB, March-June, 2004.
- INAC believes the Proponent has provided a sound framework through which reclamation and closure activities can be implemented, however a few outstanding items remain

G-4 Engineering Design of Surface Reclamation Covers

- Proponent has committed to investigation of concrete slabs for cracking and potential contamination
- Additional information from these investigations to be filed with the NWB
- Final approval of G-4 dependant on NWB review and approval of the concrete slab investigation reports and any associated reclamation plans based on the findings

G-3 Final Closure and Reclamation Plan

- Reclamation timelines be submitted for NWB review and approval prior to implementation
- Any new use of facilities under the Current License will require a new Water License Application
- Land Leases and Quarry Permits be renewed and updated to reflect closure approvals

G-8 Waste Rock Piles and Open Pit Closure Plan

- Proponent has committed to providing additional geochemical characterization of West Open Pit and West Open Pit access road
- Additional information from these investigations to be filed with the NWB
- Final approval of G-8 dependant on NWB review and approval of the geochemical investigation reports and any associated reclamation plans based on the findings

G-9 Closure and Monitoring Plan

- INAC supports the current Monitoring Plan
- Support conditional on the Proponent expanding or extending the monitoring plan if required
- INAC suggests the Proponent provide a plan to ensure Arctic Bay residents are kept informed of monitoring results

G-14 Human Health and Ecological Risk Assessment (HHERA)

- INAC review based on the HHERA that was approved by the NWB in November 2003
- If NWB determines that the HHERA and soil quality remediation objectives (SQROs) are open for change, all activities dependant on approved SQRO values should wait until these values are no longer subject to change

G-13 2003 Phase III Environmental Site Assessment

- Proponent has committed to additional sampling around PCB storage and ANFO Plant
- INAC recommends that the Proponent provide a clearer commitment to the sampling for PCBs in the soils below the PCB storage facility
- Results of this additional sampling and any contingency plans to be submitted to the NWB for approval

G-16 Waste Disposal Plan

- Information provided by the Proponent was insufficient with regard to long term mine stability and subsidence
- INAC requests a certified report by a Professional Engineer be submitted that addresses short and long term stability issues
- Certified Engineering designs are required for all mine portals and openings; designs are also subject to approval of Mines Inspector, Workers Compensation Board

- Proponent to provide landfill contingency plans, and a framework under which these plans would be employed
- Proponent should not be permitted to remove any monitoring parameters without prior approval of the NWB

- INAC believes that the Nanisivik Mine 2004 RCP was developed according to the NWB process, good engineering practices, and government policies for mine abandonment and reclamation
- INAC recommends that the RCP be granted conditional approval, with the identified outstanding items subject to additional NWB review and approval