



Indian and Northern
Affairs Canada

Affaires Indiennes
et du Nord Canada

INDUSTRIAL WATER USE INSPECTION REPORT

Date: May 27, 2003 Company Rep. (Name/Title): Bill Heath, General Manager
Licensee: Nanisivik Mine, CanZinco Licence No.: NWB1NAN0702

WATER SUPPLY : Not Inspected

Source(s): Quantity used: Meter Reading:

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected
Intake Facilities: NI Storage Structure: NI Treatment Systems: NI Recycling: NI
NI

Flow Meas. Device: NI Conveyance Lines: NI Pumping Stations: NI Modifications: NI

Comments:

WASTE DISPOSAL : Not Inspected

Tailings: Tailings Pond: Natural Lake: Underground:
Sewage: Sewage Treatment System: Tailings Pond: Natural Water Body:
Continuous Discharge: X Intermittent Discharge:
Solid Waste: Open Dump: Landfill: Burn & Bury: X Underground:

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected
Discharge Quality: NI Decant Structure: NI Dyke Inspections: NI
Conveyance Lines: NI Pond Treatment: NI Runoff Diversion: NI
Discharge Meas. Device: NI Dams, Dykes: NI Erosion: NI
Freeboard: NI Seapages: NI Spills: 03-538, 03-539
Effluent Discharge Rate: NI Samples Collected: NIL

Comments:

GENERAL CONDITIONS

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected
Ore & Waste Rock Stockpiles: NI Records & Reporting: SNP: NI
Geotechnical Inspection: NI Posting/Signage: NI Contingency Plan: U
Restoration Activities: NI New Construction: NI Fuel Storage: NI
Mine Water Discharge: NI Chemical Storage: U Annual Report: NI

Comments: Spill sites at the lay down area tank farm pump house and bulk chemical storage areas were inspected on May 24, 2003. No remediation or followup report had been completed prior to the May 24, 2003 inspection. Murray Markle of Nanisivik Mine was taken to both spill sites and informed by the WRO what cleanup was required at both spill sites, the follow up spill reports and a list of reports that have not been filed by the date due.

Violations of Act or Licence: (Part B: General Conditions) The licensee has failed to furnish and maintain security of \$17.8 million dollars in a form satisfactory to the Minister. (Part E: Conditions Applying to Emergency Response) The licensee has failed to employ the Emergency Response Plan, and failed to submit a detailed follow up report on each spill within 30 days after initially reporting the spill. (Part G: Section 16. Conditions Applying to Closure and Reclamation) The licensee shall submit a Underground Mine Solid Waste Disposal Plan. (Part H: Section 30. Conditions Applying to Monitoring Program) The licensee shall submit monitoring reports during each calendar quarter.

General Comments: A letter of direction will be issued to Nanisivik Mine indicating what conditions of the Licence are in contravention and what remediation is required to meet the conditions of the Water Licence NWE1NAN0702.

Constantine Bodykevich

Inspector's Name

[Signature]
Inspector's Signature

Nunavut Water
Board

JUN 25 2003

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