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Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

June 6, 2005

Your file - Votre référence NWB1NAN0208/B,6 Our file - Notre référence 9545-1-1-NAN

Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0E 1J0

Via electronic mail to: licensing@nwb.nunavut.ca

Re: NWB1NAN0208/B,6 - 2004 Annual Report

On behalf of Indian and Northern Affairs Canada (INAC), I would like to thank the Nunavut Water Board (NWB) for the opportunity to provide comments on the 2004 Annual Report for the Nanisivik Mine. The Annual Report was submitted by CanZinco Limited, a wholly-owned subsidiary of Breakwater Resources Limited (the Licencee), as per the requirements of Part B.6 of water licence NWB1NAN0208,B (the Current Licence).

INAC's critique is based on our reviewer's observations related to specific sections of the Annual Report.

Comments

Section 1.0

The report indicates this is the 2004 Annual Report. This paragraph indicates that the report is for 2003. We suggest that the date be amended.

Section 2.0, 6ii

There is no mention of the quantity of non-compliant water spilled into Twin lakes Creek. There is no discussion of the cause of the spill, or what action may have been taken to prevent further spills, unless all water was released.

Section 2.0, 6viii

There is good detail in the discussion of the Environment Canada Inspection Report.



There is no detail of the minor maintenance work and deficiencies that were identified in the annual geotechnical inspection. We suggest that a list of these activities be included in the Annual Report.

Appendix B, Water quality data

Identification of the water licence compliance criteria in the tables for each of the parameters would be helpful.

Appendix B, Water quality data (159-4)

Zinc levels exceed discharge criteria. PH exceed criteria on September 15.

Appendix B, Water quality data (159-6-10-19)

Some total zinc levels exceed discharge criteria.

Appendix C

Identification of the water licence compliance criteria in the tables for each of the parameters would be helpful.

Appendix C, Table 1

Cadmium is regulated in the Water Licence (p.11), but analytical results for cadmium are not presented in Table 1. We suggest that NWB inquire as to wether or not effluent was analysed for cadmium and if so require into the results of the analysis.

If you have questions or concerns, please do not hesitate to contact the undersigned.

Best regards,

Original Signed by:

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