

## **Table of Contents**

	Page
Introduction	1
Required Reporting as per part B – General Conditions	1
Item 6 i - Summary of Construction Work	1
Item 6 ii - Unauthorized Discharges	1
Item 6 iii - Progress report of Studies and Plans	2
Item 6 iv - Executive Summary of Submitted Plans	2
Item 6 v - Summary of Closure & Reclamation Work	2
Item 6 vi - Summary of Current Mine Closure Costs	4
Item 6 vii - Public Consultation / Participation Report	5
Item 6 viii- Summary of Work Done as per inspection Reports	5
Item 6 ix - Effluent and Water Quality Monitoring Reports	5

#### List of Drawings

Figure 1: Twin Lakes Area Water Sampling Stations
Figure 2: Industrial Area Water Sampling Stations
Figure 3: East Adit Area Water Sampling Stations
Figure 4: Dock Area Water Sampling Stations

#### List of Appendixes

Appendix A: Water Data for Sample Station 159-4

Water Data for Sample Station 159-6
Water Data for Sample Station 159-9
Water Data for Sample Station 159-10
Water Data for Sample Station 159-12
Water Data for Sample Station 159-15
Water Data for Sample Station 159-16
Water Data for Sample Station 159-18
Water Data for Sample Station 159-19

Appendix B: Graphical Comparison of Water Levels

Appendix C: Memo to Residents of Arctic Bay

#### 1.0 Introduction

The Nunavut Water Board issued Nanisivik Mine, a division of CanZinco Ltd., the current license, NWB1NAN0208, on Oct 1, 2002. In compliance with Part B, Item 6 of the License, the following information is submitted as the 2007 Annual Water Report.

#### **2.0** Required Reporting (As per part B - General conditions)

#### Item 6i.

A summary of any construction work, modification and major maintenance work and/or demolition work carried out on the Water Supply Facilities, West Twin Disposal Area, East Adit Treatment Facility, and associated structures;

Regular preventative maintenance was performed on the potable water system, culminating with the demolition of the recreation center which housed the boilers and recirculation system. Part of the system was disconnected to still allow water supply to the few remaining houses. The system was shut down in late September and will be put back into service when the camp reopens in the spring of 2008.

There were some cracks noted on the concrete weir at the West Twin discharge from the polishing pond. A coffer dam was built and material was excavated in order for us to install a geothermal liner along the upstream side of the wall prior to backfilling. The repairs were designed and supervised by a field engineer from BGC engineering.

There were no activities at the former East adit treatment facility other than routine sampling.

#### Item 6 ii.

A list of unauthorized discharges and summary of follow-up actions taken; There were no unauthorized discharges during 2007.

#### Item 6 iii.

A Progress Report and/or revision of any studies or plans requested by the board under this licence

n/a

#### Item 6 iv.

An executive summary in terms understandable to the general public, translated into Inuktitut, of all plans, reports, or studies conducted under this licence.

n/a

#### Item 6v.

A summary of any closure and reclamation work undertaken during the year and an outline of any work anticipated for the next year, including any changes to implementation and scheduling;

The 2007 season was very productive, however, some work remains to be completed in 2008. A brief summary of the work completed and the work remaining for each area is summarized below.

#### West Twin Disposal Area/East Twin Water system

The majority of the planned reclamation for the West Twin Disposal is complete. The removal of the culvert between the reservoir and the polishing pond will take place in August, after the east twin pump house and pipeline is removed. The remaining touchups along the shoreline and spillway will also take place at this time.

#### East Open Pit Area

The reclamation of this area is complete except for a minor amount of armouring that was noted on BGC's annual inspection. There is also some pipe and scrap steel from the east adit treatment facility to be picked up and hauled underground

### Area 14

Reclamation of this area is complete.

#### K-Baseline Area

Reclamation of this area is complete.

#### Oceanview

Reclamation of this area is complete ecxept for some minor touchups the deflection berm that was noted on BGC's annual inspectionon

#### Land Fill

Reclamation of this area is complete.

#### Stol Port

There was no activity in this area during 2007. The telephone buildings will be removed in 2008, along with several truckloads of HC contaminated soil.

#### Carpenter Shop

Reclamation of this area is complete.

#### Industrial Complex

The mill foundation was back-filled with metal contaminated soil and the shale cover placement was underway at the end of 2007. The remainder is to be completed in the spring.

### **Industrial Complex Yard**

Much of the yard has been excavated down to bedrock, but there is still a few thousand cubic meters of contaminated soil to be removed in 2008.

#### Warehouse Yard

All items were removed from this area during 2007. There is a minor amount of HC contaminated soil to be excavated in 2008

### ANFO Factory

Reclamation of this area is complete.

#### **Town Site Residences**

Several houses were removed in 2007 and hauled underground. There are 10 houses to be removed in 2008 near the end of the reclamation season.

#### Furniture Storage and Cold Storage Buildings

These collapsible buildings that had been moved to the arena pad have been dismantled and prepped for shipping.

#### Arena Pad

The concrete pad was removed and hauled underground.

### West Open Pit

Reclamation of the pit is complete, other than armouring the section that is currently being used as a haul road at the base of the cover.

#### **Portals**

9 South and the lower adit remain open until waste disposal is complete.

#### Concentrate Shed

Reclamation of this area was completed in 2007. The building was dismantled and prepped for shipping. The concrete pad was swept clean and the contaminated soil surrounding the shed and conveyor way was excavated and hauled away. A shale cover was placed on top of the concrete pad upon completion.

### Tank Farm Area

HC contaminated soil was excavated and hauled underground from the area down gradient from the fuel pump house. Additional contamination was delineated during the excavating activities and will be removed in June of 2008.

#### Item 6 vi.

The estimate of the total current mine closure cost based upon mine reclamation and monitoring activities carried out during the past year.

The total reclamation costs up until the end of 2007 are 15.6 million...

#### Item 6 vii.

A public consultation/participation report describing consultation with local organizations and the residents of the nearby communities

A meeting was held with the hamlet council prior to the cessation of activities in late September 2007. The purpose of the meeting was to inform the community of the temporary closure of the Nanisivik camp for the winter and to update them on the remaining work planned for 2008. A general memo to the residents was issued at that time and is included in appendix c.

#### Item 6 viii.

A Brief Summary of work done to address concerns or deficiencies listed in the inspection and/or compliance reports

Mr. Geoff Claypool of BGC Engineering conducted the annual geotechnical inspection. There were several minor deficiencies that were addressed following his inspection. This included filling in some minor sink holes and beefing up the riprap in a few places along the shore of the reservoir. There are still some outstanding items that will be completed in 2008.

#### Item 6 ix.

A Report on the Effluent and Water quality monitoring studies conducted during a calendar year.

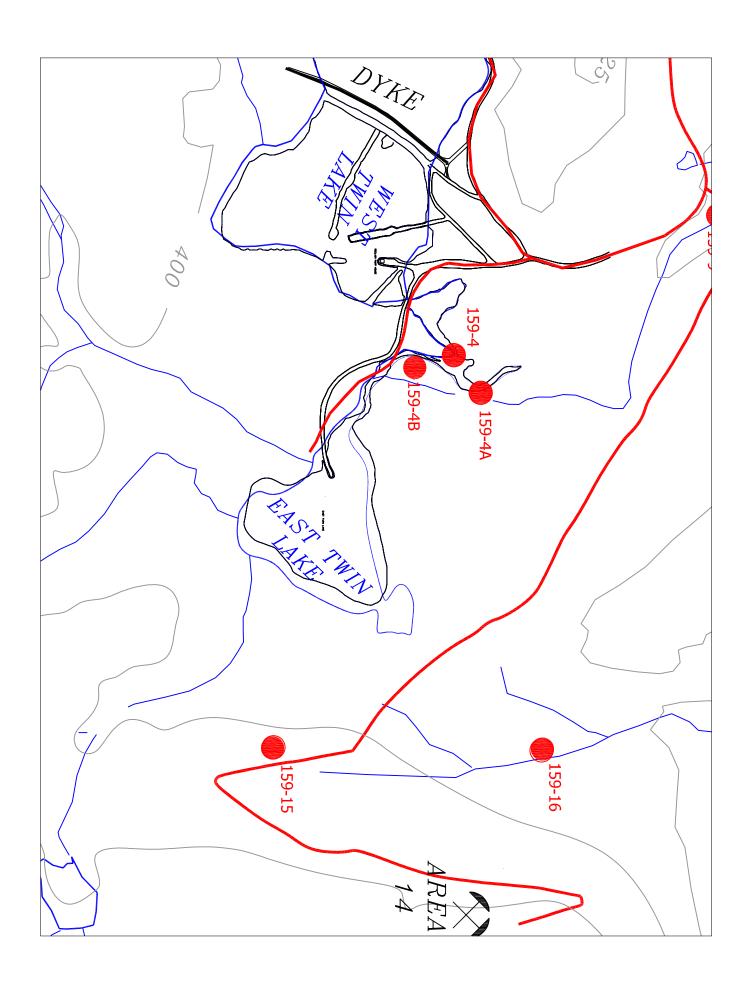
The total volume of potable water pumped from East Twin Lake (ETL) was approximately 35,000 cubic metres.

The average lake level of ETL was 372.0 metres for the year with maximum and minimum levels of 372.4 metres and 371.9 metres respectively The level of ETL was not at anytime, lower than the level of West Twin Lake. The minimum difference in elevation between the two lakes was 1.53 metres recorded in late April and Early May. A graphical comparison between the elevation of East Twin Lake and the West Twin Reservoir is shown in Appendix B.

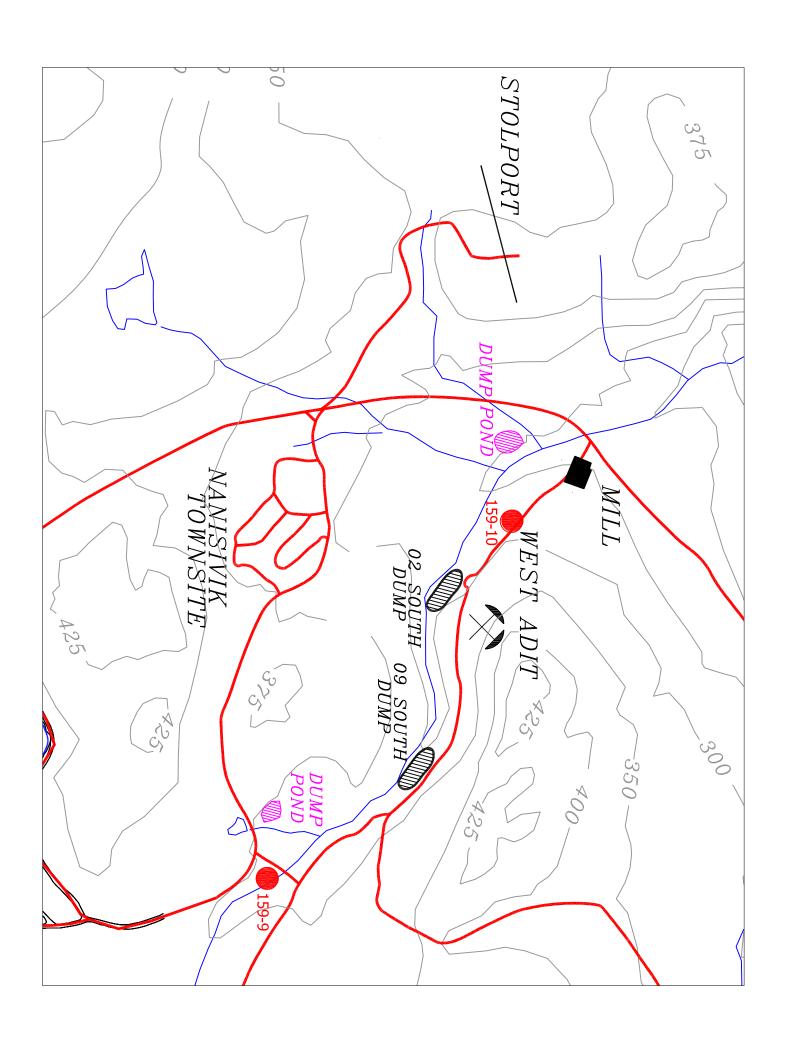
**b.** Periodically during the year, water flowed over the concrete weir at the outflow from West Twin Reservoir. The flow was too shallow to obtain accurate flow measurements with

the swoffer flow metre. All sampling, sample preservation and quality control procedures were conducted in accordance with methods prescribed in the current edition of "Standard Methods for the Examination of Water and Wastewater". Samples were collected at the West Twin decant, monitoring stations downstream in the Twin Lakes Creek and at monitoring stations along Chris Creek. The Sampling locations required by the water license are indicated on drawings 1 to 4 by solid red circles beside the name of the station. Tabulated summaries of the data generated for each monitoring station are included as Appendix A. The first two Acute lethality tests and Daphnia Magna Monitoring tests were scheduled but there was no flow on the dates selected. Samples were collected for the third scheduled test, but the airline was unable to get the sample to the lab within the required time limit.

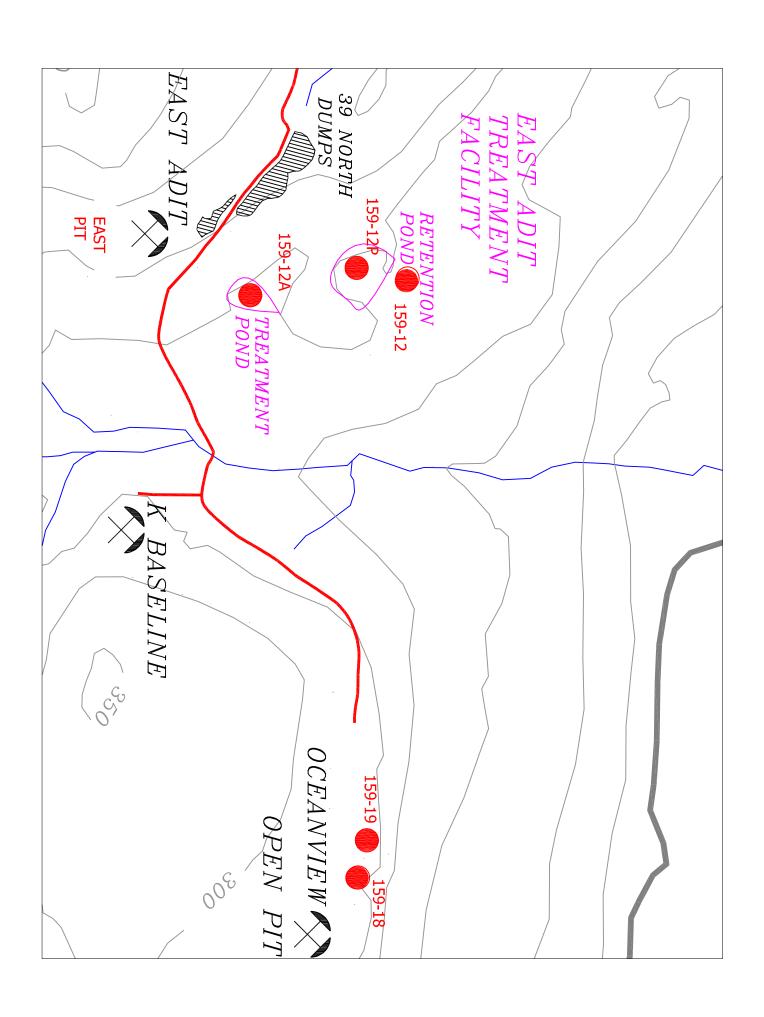
Twin Lakes Area Water Sampling Stations



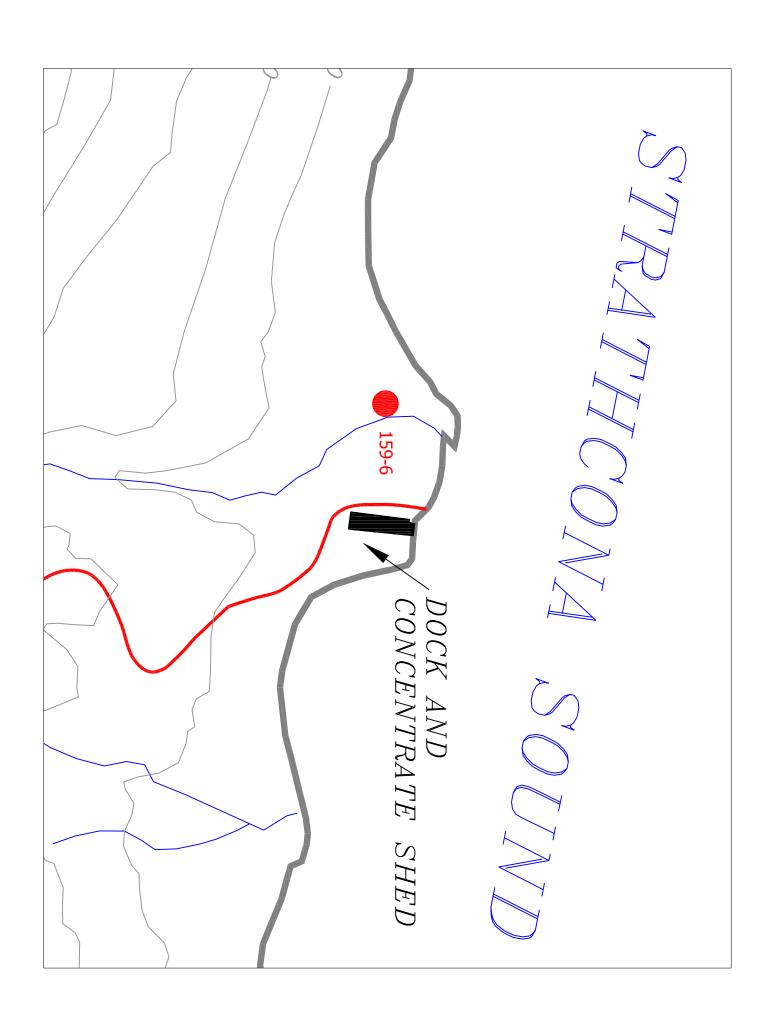
Industrial Area Water Sampling Stations



East Adit Area Water Sampling Stations



Dock Area Water Sampling Stations



## 2007 Water Data

159-4

159-6

159-9

159-10

159-12

159-15

159-16

159-18

159-19

						15	9-4						
Date	Temp.	pН	Cond.	T.S.S.	$S0_4$	Cd	Pb	As	Cu	Ni	Rad 226	Zn total	$NH_3$
	(°C)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Bq/L)	(mg/L)	(mg/L)
22-Jun	6.8	7.63	0.13	6.2	106	0.0002	0.006	<0.001	0.002			0.04	0.19
23-Jun	8.4	7.54	0.13	5.6	116	0.0014	0.006	<0.001	0.003			0.05	0.2
24-Jun	8.1	7.32	0.31	6.8	126	<0.0001	0.005	<0.001	0.001			0.04	0.21
25-Jun	8.3	7.36	0.32	4.4	128	0.0002	0.004	<0.001	0.003			0.04	0.23
26-Jun	11.3	8.40	0.47	3.8	183	<0.0001	0.004	<0.001	0.001			0.03	0.24
27-Jun	9.0	7.72	0.48	2.8	190	0.0002	0.002	<0.001	0.002			0.04	0.18
28-Jun	7.9	8.23	0.44	0.8	172	0.0001	0.001	<0.001	0.001	<0.005	<0.01	0.03	0.15
29-Jun	10.9	7.77	0.38	2.0	169	0.0003	0.001	<0.001	<0.001			0.02	0.12
30-Jun	13.5	7.69	0.35	1.0	162	0.0005	0.002	<0.001	<0.001			0.02	0.12
2-Jul	11.7	7.11	0.37	2.2	161	<0.0001	0.001	<0.001	<0.001			0.02	0.11
3-Jul	10.3	6.53	0.05	2.2	238	0.0001	0.001	<0.001	<0.001			0.02	0.12
4-Jul	11.7	7.29	0.53	0.2	242	0.0003	0.002	<0.001	0.002	<0.005	<0.01	0.03	0.11
5-Jul	11.2	7.31	0.48	0.8	212	0.0002	0.002	<0.001	0.002			0.003	0.10
6-Jul	13.3	7.14	0.45	0.6	199	<0.0001	0.001	<0.001	<0.001			0.02	0.12
7-Jul	14.1	7.12	0.44	1.2	193	0.0002	0.002	<0.001	0.001			0.02	0.09
8-Jul	14.6	7.07	0.43	0.8	188	0.0001	0.001	<0.001	0.001			0.02	0.09
9-Jul	15.7	7.02	0.41	0.4	183	<0.0001	0.001	<0.001	<0.001			0.02	0.09
10-Jul	15.5	7.16	0.43	0.2	184	<0.0001	0.001	<0.001	0.001			0.02	0.08
11-Jul	15.4	7.42	0.43	1.2	180	<0.0001	0.001	<0.001	0.001	<0.005	<0.01	0.02	0.08
12-Jul	16.7	7.01	0.44	0.0	60	<0.0001	0.002	<0.001	<0.001			0.02	0.07
13-Jul	16.1	7.29	0.45	0.2	148	0.0007	0.002	<0.001	<0.001			0.02	0.07
14-Jul	13.2	7.17	0.49	0.0	172	0.0002	0.002	<0.001	0.001			0.02	0.07
16-Jul	10.1	6.99	8.83	2.0	190	0.0002	0.004	<0.001	0.002			0.003	0.11
3-Aug	10.30	7.15	1.65	1.2	490	0.0062	0.003	0.001	0.003			0.12	0.76
4-Aug	6.30	7.30	1.59	1.4	360	0.0019	0.003	<.001	0.003	0.006	0.01	0.12	0.74
6-Aug	6.25	7.32	1.77	1.2	540	0.0007	0.002	<0.001	0.002			0.15	0.92
7-Aug	6.2	7.34	1.81	1.2	610	0.0004	<0.001	<0.001	0.002			0.17	0.94
9-Aug	7.20	7.34	1.47	1.2	670	0.0003	0.003	0.001	0.001			0.12	0.96
10-Aug	6.80	7.30	1.70	2.2	730	0.0004	0.002	0.001	0.002	0.007	<0.01	0.13	0.99
13-Aug	7.60	7.30	1.65	2.2	780	0.0004	0.002	0.001	0.002			0.13	1.02
30-Aug	8.0	7.26	1.83	1.2	750	0.0003	0.002	0.001	0.002	0.013	<.02	0.13	1.05
3-Sep	6.3	7.28	1.79	0.8	790	0.0005	0.001	0.001	0.005	0.007	<0.01	0.13	0.96
4-Sep	6.2	7.59	1.74	1.0	780	0.0012	0.001	<0.001	0.002			0.14	0.96
5-Sep	0.5	7.43	1.81	2.8	770	0.0047	0.001	0.001	0.002			0.14	1.08
6-Sep	0.86	7.33	1.80	2.5	250	0.0018	0.001	0.001	0.002			0.15	1.04
7-Sep	1.22	7.23	1.80	2.2	310	0.0012	0.001	0.001	0.002			0.15	1.00
8-Sep	1.58	7.12	1.79	1.8	540	0.0023	0.001	0.001	0.002			0.16	0.96
9-Sep	1.94	7.02	1.79	1.5	490	0.0016	0.001	0.001	0.002			0.16	0.92
10-Sep	2.3	6.92	1.78	1.2	730	0.0009	0.001	0.001	0.002	0.008	0.01	0.17	0.88

				159-6			
Date	Temp.	pН	Cond.	T.S.S.	Cd total	Pb total	Zn total
	(oC)		(mS)	(mg/L)	(mg/L)	(mg/L)	(mg/L)
8-Jun	3.4	7.6	0.41	94.8	0.1000	0.0020	0.022
14-Jun	5.5	8.04	0.15	11.8	0.0010	0.002	0.59
21-Jun	5.4	7.56	0.00	7.6	0.0008	0.002	0.43
28-Jun	7.5	6.97	0.11	16.6	0.0009	0.003	0.25
2-Jul	10.7	7.03	0.07	27.2	0.0004	0.002	0.09
9-Jul	10.5	6.65	0.13	157.2	0.0004	0.004	0.15
16-Jul	11.8	6.73	0.22	75.4	0.0009	0.002	0.45
23-Jul	5.30	6.50	0.28	52.2	0.0038	0.003	1.71
30-Jul	5.3	7.06	0.61	33.0	0.012	0.003	3.99
6-Aug	6.6	6.24	0.58	13.0	0.0081	0.002	2.83
13-Aug	6.2	7.17	0.68	79.8	0.0106	0.003	4.58
20-Aug	10.0	6.49	0.84	45.0	0.0220	0.002	8.54
27-Aug	8.5	6.29	0.69	63.8	0.0213	0.007	9.58
3-Sep	5.6	6.35	0.94	23.6	na	na	na
10-Sep	2.7	6.22	0.98	16.8	na	na	na
Date			Cd dissolved	Pb dissolved	Zn dissolved	NH3	S04
			(mg/L)	(mg/L)	(mg/L)	(mg/L)	
8-Jun			na	na	na	0.10	100
14-Jun			na	na	na	0.06	20
21-Jun			0.0007	<0.001	0.4	<0.02	64
28-Jun			0.0006	<0.001	0.21	<0.02	41
2-Jul			0.0003	<0.001	0.08	<0.02	23
9-Jul			0.0003	<0.001	0.06	<0.02	44
16-Jul			0.0011	<0.001	0.31	0.05	na
23-Jul			0.0027	<0.001	1.13	0.08	69
30-Jul			0.0086	<0.001	3.08	0.07	na
6-Aug			0.0056	<0.001	2.17	0.16	50
13-Aug			0.0080	<0.001	3.35	0.13	na
20-Aug			0.0163	<0.001	6.83	0.12	270
27-Aug			0.0001	<0.001	0.03	0.13	na
3-Sep			na	na	na	na	440
10-Sep			na	na	na	na	na

					ı	159-9				
Date	Temp.	pН	Cond.	T.S.S.	S04	Cd total	Pb total	Zn total	Pb dissolved	Zn dissolved
	(oC)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)
21-Jun	4.1	7.20	0.04	2.8						
28-Jun	6.9	7.02	0.06	3.4	30	0.0002	0.001	0.03	<0.001	0.02
2-Jul	13.0	7.13	0.00	5.6						
9-Jul	10.0	7.45	0.02	2.6	16		0.004	0.02	<0.001	0.01
16-Jul	8.7	7.47	0.05	1.8						
23-Jul	8.07	6.95	1.10	2.4	32		<0.001	<0.01	<0.001	<0.01
30-Jul	10.8	6.38	0.39	2.2			0.001	0.01	<0.001	0.02
6-Aug	5.3	7.43	0.23	0.8	20		<0.001	0.01	<0.001	0.04
13-Aug	6.1	8.04	0.53	0.6						
20-Aug	10.3	7.03	0.57	2.0	120		<0.001	0.02	<0.001	0.02
27-Aug	7.5	6.78	0.39	2.4						
3-Sep	4.3	7.26	0.74	0.0	290		<0.001	0.02		
10-Sep	2.3	7.13	0.80	1.6						

	159-10												
Date	Temp. (oC)	рН	Cond. (mS)	T.S.S. (mg/L)	S04	Cd total (mg/L)	Pb total (mg/L)	Zn total (mg/L)					
21-Jun	2.5	7.03	0.06	0.0									
2-Jul	7.60	6.15	0.02	1.6									
9-Jul	7.5	6.61	0.06	2.0	20	0.001	0.001	0.33					
16-Jul	5.7	6.43	0.12	2.4									
23-Jul	8.30	6.23	0.17	5.0	61	0.002	0.002	2.7					
30-Jul	6.2	6.2	0.55	7.8									
6-Aug	6.3	5.96	0.29	13.0	40	0.0100	0.002	3.1					
13-Aug	7.1	6.84	0.65	10.0									
20-Aug	5.20	5.97	0.83	14.6	200	0.0374	0.002	13.2					
27-Aug	7.4	5.73	0.64	17.0									
3-Sep	5.3	6.23	0.94	11.0	170	0.0271	0.001	11.6					
10-Sep	2.3	6.11	0.94	12.6		-							

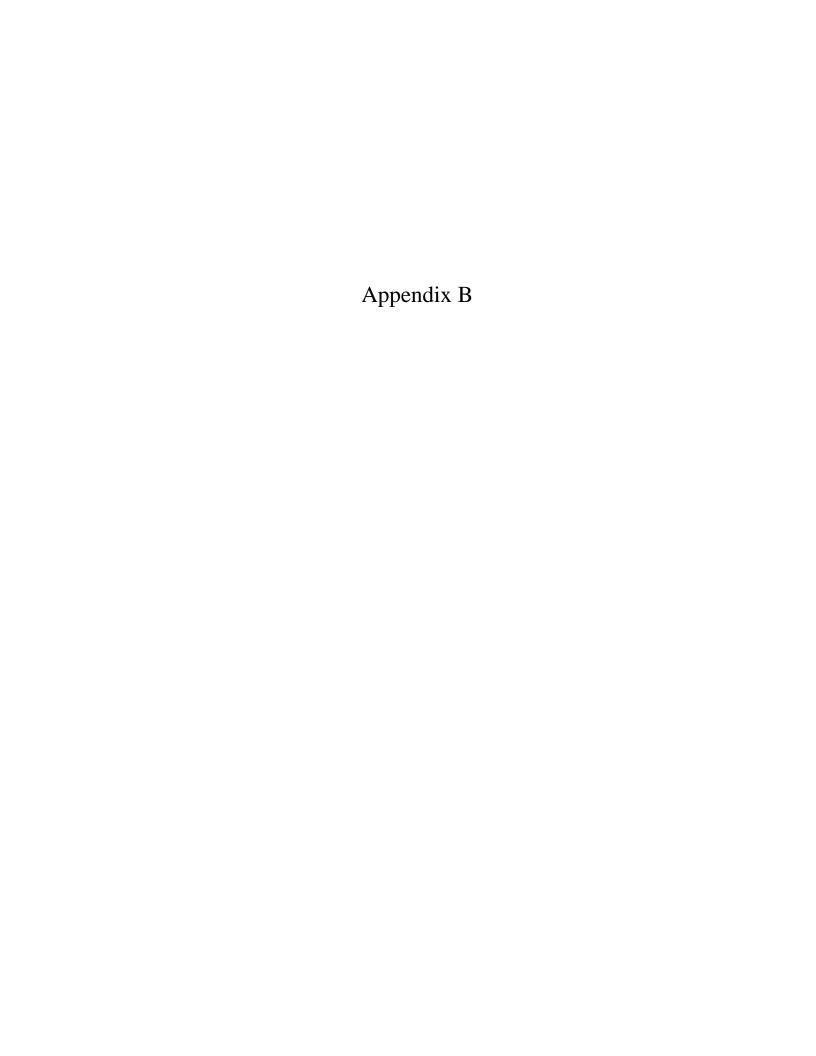
						159-1	2					
Date	Temp.	pН	Cond.	T.S.S.	$S0_4$	Cd	Pb	As	Cu	Ni	Rad 226	Zn total
	(°C)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Bq/L)	(mg/L)
11-Jun	2.4	8.01	0.39	8.8	80	0.0001	0.003	<0.001	<0.001	<0.005	<0.01	0.04
20-Jun	8.9	8.26	0.43	3.8								
27-Jun	12.8	8.24	0.36	4.0	304	0.0011	0.011	<0.001	0.001	<0.005	0.01	0.2
4-Jul	13.3	7.59	1.33	0.4								
11-Jul	13.4	7.57	1.55	12.4	894	0.0008	0.11	<0.001	0.001	<0.005	0.01	0.19
18-Jul	12.3	7.86	1.71	0.2								
25-Jul	9.7	7.68	1.41	0.0	580	0.0004	<.001	<0.001	<0.001	<0.005	<0.01	0.11
1-Aug	5.7	8.13	1.42	6.4								
9-Aug	7.2	8.00	1.46	7.2	600	0.0004	0.005	<0.001	0.001	<0.005	0.01	0.17
15-Aug	5.3	8.16	1.41	2.2								
22-Aug	5.6	8.16	1.21	1.0	610	0.0003	0.001	<0.001	<0.001	<0.005	<0.01	0.1
29-Aug	4.9	7.98	1.52	6.0								
4-Sep	0.2	7.50	1.50	2.6	550	0.0003	0.003	<0.001	<0.001	<0.005	<0.01	0.1

	159-15													
Date	Temp.	pН	Cond.	T.S.S.	S04	Cd total	Pb total	Zn total						
	(oC)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)						
11-Jun	4.8	6.63	0.00	4.4	40	0.0012	0.0005	0.26						
19-Jun	4.4	7.16	0.06	0.0										
25-Jun	8.1	7.61	0.04	1.8	10	0.0002	<0.001	0.02						
3-Jul	13.7	7.38	0.08	5.8										
10-Jul	13.3	7.50	0.46	2.0	34	0.0002	<.001	0.02						
17-Jul	5.3	7.34	0.50	0.2										
24-Jul	8.30	7.52	0.54	0.6	110	<0.0001	<0.001	0.02						
31-Jul	5.3	7.5	0.86	0.0										
7-Aug	5.30	7.47	0.42	1.0	50	<.0001	<0.001	0.01						
14-Aug	6.3	7.75	0.69	0.2										
21-Aug	6.30	7.53	0.79	0.0	160	0.0001	0.001	0.11						
28-Aug	4.9	7.44	0.52	0.4				_						
4-Sep	2.0	7.38	1.09	0.6	400	<0.0001	<0.001	0.02						

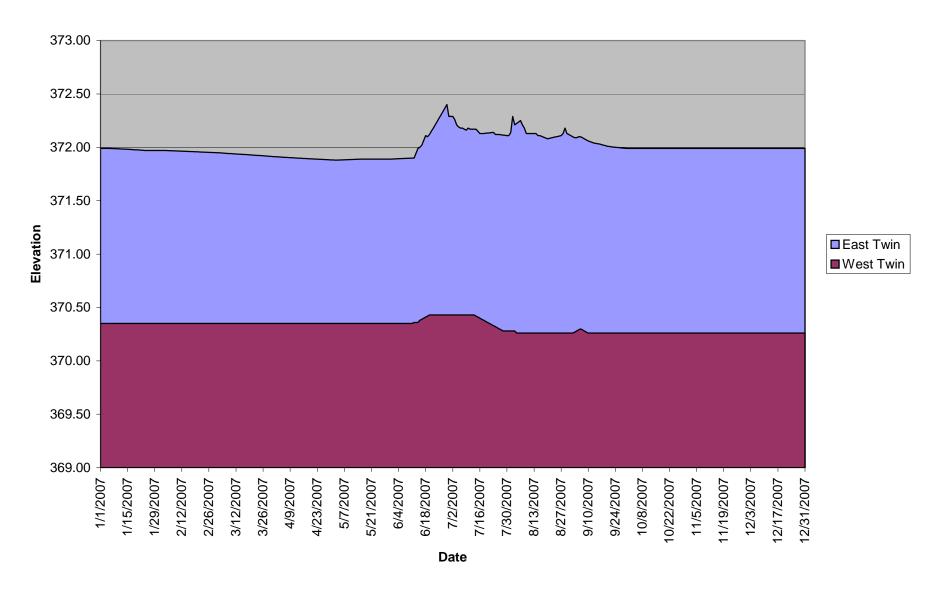
	159-16												
Date	Temp.	pН	Cond.	T.S.S.	S04	Cd total	Pb total	Zn total					
	(oC)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)					
19-Jun	4.1	7.43	0.09	0.8									
25-Jun	10.3	7.31	0.07	1.2	16	0.0004	<0.001	0.5					
3-Jul	16.4	7.16	0.18	0.8									
10-Jul	11.6	7.19	0.30	0.8	100	0.0004	<.001	0.33					
17-Jul	6.7	7.27	0.49	1.0									
24-Jul	8.30	7.36	0.71	0.2	160	0.0003	<0.001	0.63					
31-Jul	6.3	7.4	0.71	0.0									
7-Aug	5.40	7.43	0.53	0.2	60	<0.0001	<0.001	0.16					
14-Aug	6.7	7.59	0.79	1.0									
21-Aug	6.40	7.38	0.93	0.0	280	0.0002	<.001	0.38					
28-Aug	4.3	7.37	0.69	0.6									
4-Sep	0.7	7.40	1.00	0.4	310	<0.0001	<0.001	0.23					

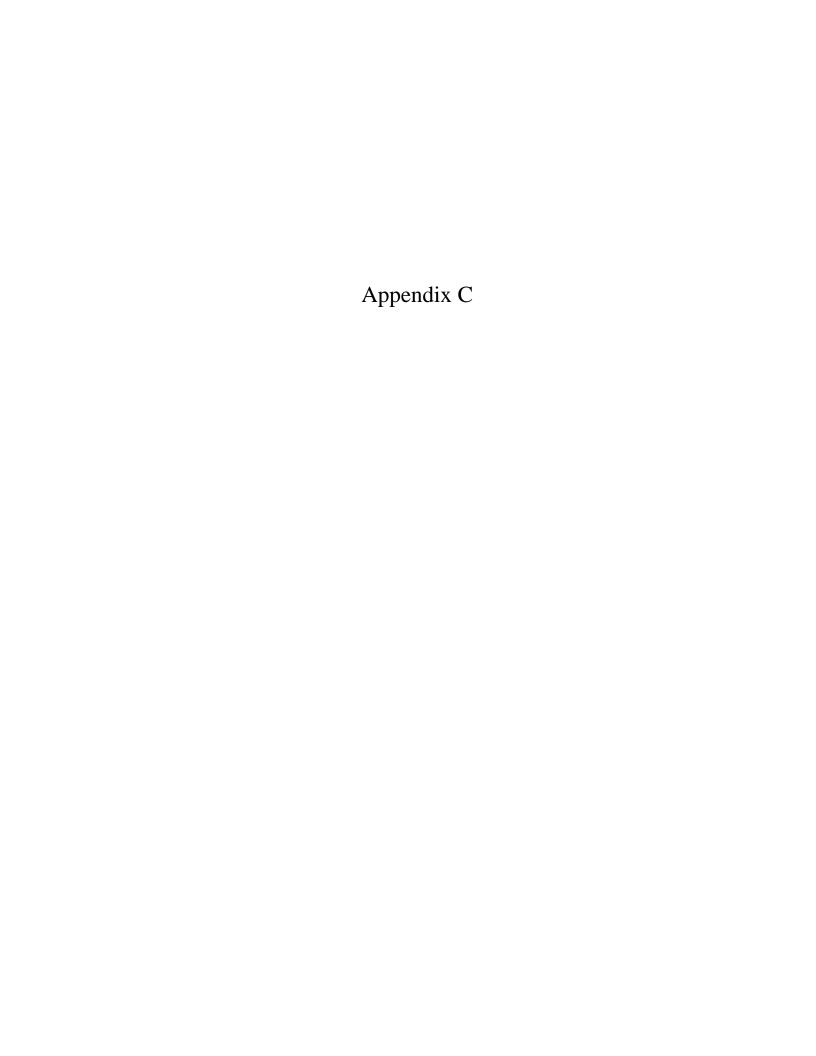
	159-18												
Date	Temp.	pН	Cond.	T.S.S.	S04	Cd total	Pb total	Zn total					
	(oC)		(mS)	(mg/L)		(mg/L)	(mg/L)	(mg/L)					
12-Jun	4.2	8.17	0.27	0.0	60	0.0002	<0.001	0.04					
20-Jun	10.0	7.68	0.26	0.4									
27-Jun	14.1	8.10	0.59	0.8	186	0.0003	0.002	0.05					
4-Jul	13.2	7.54	1.14	0.2									
11-Jul	16.3	7.43	0.84	0.2	346	0.0003	0.003	0.05					
18-Jul	10.3	6.6	1.48	0.0									
25-Jul	8.60	7.52	0.68	0.4	120	0.0209	0.028	3.82					
1-Aug	6.2	7.7	0.64	5.6									
8-Aug	2.30	7.18	1.02	1.4	180	0.0023	0.003	0.03					
14-Aug	3.4	7.13	1.17	0.2									
22-Aug	8.00	7.55	0.58	0.2	76	0.0006	0.002	0.03					
29-Aug	4.9	7.71	0.50	0.4									
4-Sep	1.4	7.71	0.49	0.6	20	<0.0001	<0.001	0.02					

	159-19													
Date	Temp. (oC)	рН	Cond. (mS)	T.S.S. (mg/L)	S04	Cd total (mg/L)	Pb total (mg/L)	Zn total (mg/L)						
12-Jun	1.9	7.99	0.64	0.0	n/a	0.0011	0.004	0.35						
20-Jun	7.1	5.41	0.81	21.8										
27-Jun	10.7	7.26	1.93	11.4	1290	0.0216	0.061	4.17						
4-Jul	10.1	6.60	2.11	0.0										
11-Jul	11.6	6.52	2.05	1.4	1330	0.0736	0.034	16.1						
18-Jul	5.3	7.5	0.80	0.6										
25-Jul	4.90	6.76	1.16	1.0	126	0.0204	0.027	3.95						
1-Aug	5.5	6.2	1.20	9.8										
8-Aug	4.10	7.70	0.45	1.8	80	0.0052	0.009	0.54						
14-Aug	6.7	7.62	0.50	0.6										
22-Aug	5.40	7.08	1.14	0.6	120	0.0073	0.017	1.18						
29-Aug	2.4	7.29	1.21	0.4										



### East Twin Lake and West Twin Reservoir Elevations





## **Nanisivik Mine**

# Memo

To: All Residents of Arctic Bay

From: Murray Markle
CC: Joeli Qaminirq
Date: 30/09/2007

**Re:** Nanisivik Reclamation Project

In addition to the information I provided to the Hamlet Council meeting early this week, I would like to provide some general information to the residents of Arctic Bay regarding Nanisivik.

We were unable to complete all the work that we planned for this year and so we will complete the remaining tasks during the spring and summer of 2008. The remaining work to be done includes excavation of soils that are above our soil quality remediation objectives, completion of thermal cover on the old Mill foundation, removal of remaining infrastructure at the end of the project, recontouring disturbed areas and some general cleanup.

The southern workers will be departing in October and will return in late April or early May. Prior to their departure, all equipment will be put away and the underground access portals will be gated and locked. All industrial buildings in the town site will also be secured.

We will be winterizing our homes, and securing all the contents in order for us to live and work in Nanisivik next year. Site monitoring will be provided by both the RCMP and the local workforce to ensure things are safe and secure. Some work will continue into the fall consisting of cable clean up and salvage.

As you may be aware, the Department of National Defence visited our site recently to make an assessment of the remaining infrastructure. They are currently in the planning stage, but will be in discussion with us over the coming months regarding their long term vision for the site and potential usage of our remaining property. We expect that they will be engaging the community to

discuss their intentions as well. For our own part we are very pleased that the port site will continue to provide benefits to Nunavut and most specifically the community of Arctic Bay. We are proud that this will remain as an enduring and positive legacy that was made possible though the development of the Nanisivik Mine project which many of you have been a part of.

During my absence from site this coming winter, you can contact Bob Carreau (Vice-President of CanZinco) directly in Toronto at 416-363-4798. Thank-you for your support during the past year and I look forward to seeing you when I return to Nanisivik next year. Sincerely,

Murray Markle Site Manager – Nanisivik Mine