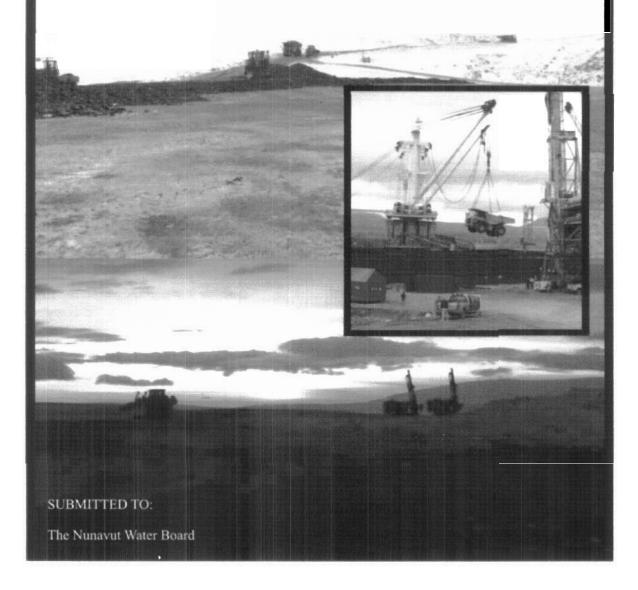
NANISIVIK MINE

RECLAMATION ACTIVITIES QUARTERLY REPORT (3RD QUARTER 2004)

(Per Water Licence NWB1NAN0208)



NANISIVIK MINE

A division of CanZinco Ltd. P.O. Box 225 Nanisivik, NU X0A 0X0

November 14, 2004

Mr. Phillipe diPizzo
Executive Director – Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

The attached documentation combines the quarterly effluent monitoring report with the quarterly reclamation update in accordance with the terms and conditions outlined in the Nunavut Water board approval letter dated July 6th, 2004. The effluent results are in accordance with Part H Item 30 of the water license.

The covering of the West Twin tailings area commenced in late August with the arrival of the earth moving contractor and their equipment. By the end of the quarter, approximately 25 hectares of the surface cell were covered.

Dismantling and removal of mill equipment in the industrial complex was underway at the end of the 2nd quarter and continued throughout July, August and September.

During the periods of July 1st to August 12 and September 9th to September 30th, effluent was released from the identified final deposition point 159-4. Monitoring of the effluent was conducted as per the guidelines set forth in the MMER. All effluent released during the quarter was, in compliance with the new Metal Mining Effluent Regulations.

If further information is required please do not hesitate to contact me.

Regards,

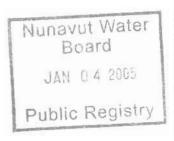
Murray Markle Site Manager

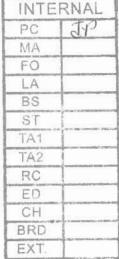
Phone: 867-436-7376

email: mmarkle@nu.breakwater.ca

c.c. R. Carreau

File





Phone: (867) 436 - 7376

Fax: (867) 436 -7435



TABLE OF CONTENTS

1.0 INTRODUCTION

2.0 REMEDIATION WORK

2.1 Earthworks

- 2.1.1 West Twin Disposal Area
- 2.1.2 Area 14

2.2 Building Demolition

- 2.2.1 Mill
- 2.2.2 Concentrate storage facility
- 2.2.3 Town site residences
- 2.2.4 Government infrastructure
- 2.2.5 Anfo Plant

2.3 Waste disposal

- 2.3.1 Reactivate underground facilities
- 2.3.2 Waste Disposal Summary
- 2.3.3 Regulated Materials

3.0 EFFLUENT MONITORING

- 3.1 West twin disposal area
- 3.2 Landfill

4.0 PROJECT COSTS (Estimates)

5.0 APPENDICES:

- 5.1 Reclamation schedule update
- 5.2 Map of Nanisivik Mine roads
- 5.3 Revised: Table 8 Water quality monitoring Reclamation period.
- 5.4 Report on condition of concrete at the Concentrate Storage shed:
- 5.5 QA/QC measures for reclamation covers
- 5.6 Report on possible PCB contamination of town site buildings
- 5.7 Miscellaneous Photos

1.0 INTRODUCTION

The Nanisivik Mine is located on northern Baffin Island in the Nunavut Territory. It is an underground zinc-lead mine owned by CanZinco Ltd. and was in continuous operation from 1976 to 2002 when it ceased production permanently.

CanZinco Ltd. was issued Water License **NWB2NAN0208**, by the Nunavut Water Board (NWB) on October 1, 2002 for the Closure and Reclamation of the Nanisivik project. A requirement of the License, under *Part G, Items 3 to 9*, was to submit a final Reclamation and Closure Plan to the NWB, which was approved by letter on July 6, 2004 ("Approval Letter").

Condition 2 of the Approval Letter states the following:

The Licensee shall, during the Reclamation Period, provide the NWB for its review, Quarterly Reclamation Reports ("Quarterly Reports"), which are to be submitted not later than 45 days after the end of the quarter (i.e., February 14, May 14, August 14, and November 14). The quarterly reports shall include, but not be limited to: a summary of remediation work completed to date; expenditures to date; documentation regarding waste disposal, including volumes and final location; and a revised implementation schedule, as referred to in Item 2 of this Letter of Approval. It is recommended that the Licensee should submit, with the Quarterly Reports, the effluent monitoring requirements as noted in Part H, Item 30 of the Licence.

The information contained herein is submitted as the Quarterly Report covering the months of July through September 2004. The reclamation activities at Nanisivik during this period included the following:

- Earthworks;
- Building demolition;
- Waste disposal;
- Effluent Monitoring; and
- Continued studies and characterization.

Additional "one time" reporting, requested by the NWB in the Approval Letter is also included herein and addresses the following:

- An update of the reclamation schedule
- Characterization and plans for reclamation of site roads
- · Modifications to the water quality monitoring schedule
- An assessment of concrete foundations at the concentrate storage shed
- A report of the quality assurance and control measures taken for the reclamation covers
- Report on possible PCB contamination of townsite buildings

2.1 Earthworks

2.1.1 West Twin Disposal Area (WTDA)

The contractor's earth moving equipment arrived from Montreal on the earliest available sealift of August 28th. First order of the day was the development of the Mount Fuji quarry, which proceeded as per the approved quarry plan. Development of the quarry consisted of a series of benches designed to supply approximately 500,000 cubic metres of shale (Figure 1).



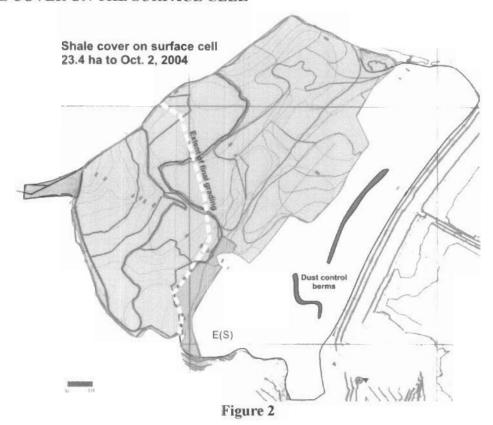
Figure 1

Placement/construction of the shale cover started at the South West corner of the surface cell and proceeded in a northeast direction toward the Dyke (Figure 2). Construction of the cover proceeded as per the approved cover design plan and was supervised by a qualified Field Representative (BGC Engineering Ltd.).

Several isolated ponds of standing water on the surface area were channeled and/or pumped into the reservoir portion of the WTDA prior to shale placement.

A total of 334,000 cubic metres of shale were placed on the Surface Cell between August 29 and September 30 (end of the reporting quarter). This material covered 23.4 hectares of surface area. Construction continued at the end of the quarter.

SHALE COVER ON THE SURFACE CELL



2.1.2 Area 14

Clean up at the **Area 14 waste stockpile** pad was initiated during the quarter. Remnant exposed rock was scraped up and amalgamated into the larger pile along the toe of the existing pad. This material is now prepared for the construction of the final cover in 2005 (figure3).



Figure 3

2.2 Building Demolition

2.1.1 Mill

The contractor continued dismantling the mill and related infrastructure, including the removal of the tailings and reclaim pipelines between the WTDA and the mill. Good progress was made in stripping out interior walls on the upper floor as well as the removal of block walls in and around the shops and pump room. Both the rod and ball mill have been disassembled as well as the majority of the pumps and motors associated with the milling process. Equipment, which is destined for reuse, has been shrink-wrapped and prepared for shipment south.

The mill infrastructure and equipment was pressure washed and the wastewater was collected, sampled and pumped underground. Results of water monitoring appear in a tabular summary below.

	NA	NISI	VIK	MILL	WAS	SH W	ATER
							Total Hydrocarbons
Date	PH	Temp	Cond	Cd	Pb	Zinc	DRO(C10-C24)
01-Jul	8.00	16.00	1.15	0.0144	0.178	2.08	2.9
03-Jul	7.38	19.50	2.28	0.446	0.491	103	1.2
07-Jul	6.51	16.30	1.11	0.303	0.996	59.4	<0.2
08-Jul	7.10	16.10	2.69	0.295	6.68	85.5	0.9
10-Jul	9.20	15.40	1.63	0.0112	1.75	3.42	29
12-Jul	7.67	16.00	1.72	0.161	0.537	41.4	2.9
14-Jul	11.82	16.20	2.32	0.0075	11.7	3.32	0.3
16-Jul	6.52	16.50	1.82	0.407	5.53	95.3	<0.2
19-Jul	6.21	17.40	3.06	0.636	5.27	170	1.0
21-Jul	7.19	16.50	1.82	0.205	0.787	33.6	5.7
24-Jul	6.12	17.80	2.38	0.379	4.67	98.4	2.0
27-Jul	7.11	18.00	1.90	0.481	0.622	106	1.1
28-Jul	6.56	17.60	2.44	0.242	5.09	48.3	<0.2
29-Jul	6.82	18.60	1.42	0.295	5.04	68.7	0.4
30-Jul	6.70	17.80	1.08	0.78	2.88	159	0.2
31-Jul	6.79	12.40	0.49	0.183	0.96	41	<0.2
04-Aug	6.84	13.93	0.77	0.167	1.48	23.9	0.4
05-Aug	6.88	15.45	1.05	0.0119	0.367	0.9	<0.2
06-Aug	6.93	16.98	1.33	0.125	3.55	26.9	<0.2
07-Aug	6.97	18.50	1.61	0.0576	0.609	11.5	2.0
09-Aug	7.50	19.58	1.99	0.07	0.300	9.28	1.1
10-Aug	7.23	15.90	1.55	0.115	0.260	25.9	<0.2
12-Aug	7.21	17.50	2.20	0.333	0.589	79.4	0.4
13-Aug	6.76	18.00	0.87	0.0636	0.33	21.4	0.2
21-Aug	6.93	18.90	1.33	0.0175	1.02	6.2	<0.2
25-Aug	7.05	17.70	1.85	0.0267	0.331	7.97	0.4
28-Aug	7.38	19.20		0.0198	0.156	7.29	<0.2
10-Sep	7.17	15.20		0.0217	0.220	9.12	<0.2

2.2.2 Concentrate storage facility

The remaining lead concentrate (approximately 2,000 tonnes) was shipped off site in August. Testing of the soils under the concrete floor slab proceeded as required under the approval letter and is attached as *Appendix 4*. Results indicate that the soil does not exceed the SQRO's for the dock area. The dismantling of this structure is scheduled to take place in 2005.

2.2.3 Town site Residences

The fuel tanks on the unoccupied houses were pumped out and the contents were used for heating oil in the carpenter shop (waste oil furnace). Several truckloads of furniture were cleaned and donated to the Hamlet Council of Arctic Bay for distribution. Demolition of the abandoned houses will commence this winter



Figure 4

2.2.4 Government Buildings and Infrastructure

Negotiations with the Government of Nunavut regarding the demolition/reclamation of their infrastructure are incomplete at this time.

2.2.5 ANFO Plant

No reclamation activity has taken place at the ANFO plant to date. Samples will be collected to delineate any contamination in the surrounding soils and this material will be removed and disposed of in 2005.

2.3 Waste disposal

2.3.1 Underground Facilities

The portals were reopened and ventilation was re-established in the underground mine. Inspection and scaling of the haulage routes and crusher access were completed, and preparation of the identified stopes for waste storage took place during the quarter. An assessment of the long-term stability of the underground workings was submitted under separate cover to the Board during the month of October. The decommissioning of the underground crusher and related equipment is scheduled to take place in January/February.

2.3.2 Waste Disposal Summary

A minor amount of demolition debris and waste was disposed of in the underground mine and in the West open Pit (WOP) as summarized in the table below. The material in the WOP consisted largely of cement blocks from the industrial building's interior walls. The material was compacted/crushed via earth moving equipment and placed in layers on the floor of the pit where it will be covered as per the approved Reclamation Covers Plan.

Waste Origin	Class	Volume (m3)	Storage Location
Miscellaneous	AE2	2	01 Block
Industrial complex	DD1	500	West Open Pit
Houses	DD1	7	10&11 Block Area
Compressor House	DD1	30	01 Block



Figure 5 - Dismantled construction materials in West open pit

2.3.3 Regulated Materials

The PCB storage facility was decommissioned in August and the contents were shipped to an off site facility for destruction. A temporary storage facility will be established in 2005 for the remaining transformers as they are pulled out of service and prepared for shipment off-site.

The unused laboratory chemicals have been containerized, secured and relocated to a lay down area in preparation for shipment/destruction off-site.

3.1 West Twin disposal area

As required under *Part H, Item 30* of the License, this report includes the results of all tests and monitoring at the final discharge points from the site. During this reporting period, the final discharge point was limited to SNP Station 159-4 (WTDA decant structure).

July Discharge 159-4 (Effluent from WTDA at Decant Structure)

	13011	418	. 10)		much	t II OII	1 1 1 1	Aat	Decan	usuu	ctui e		
Date	Temp.	pН	Cond.	T.S.S.	Cd total	Pb total	As total	Cu Total	Ni Total	Rad 226	Zn total	NH3	24 Hr
	(oC)		(mS)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Bq/L)	(mg/L)	(mg/L)	Flow
1-Jul	6.4	7.60	1.57	0.6	0.0007	0.021	0.001	0.019			0.440	1.70	10575.4
2-Jul	9.3	7.64	1.53	0.2	0.0006	0.021	0.001	0.019			0.440	1.62	10575.4
3-Jul	8.2	7.76	1.57	0.0	0.0007	0.023	0.001	0.019			0.430	1.68	10372.3
4-Jul	9.7	7.72	1.57	0.0	0.0006	0.021	0.001	0.018			0.400	1.58	9849.6
5-Jul	10.6	7.72	1.57	0.0	0.0006	0.021	0.001	0.018			0.420	1.31	9158.4
6-Jul	10.8	7.52	1.55	0.6	0.0008	0.021	0.001	0.018			*0.42	1.64	8964
7-Jul	9.7	7.72	1.54	2.0	0.0005	0.022	0.001	0.017	0.012	0.030	0.380	1.60	9624.96
8-Jul	9.8	7.78	1.50	0.2	0.0010	0.017	0.001	0.016			0.350	1.57	9745.92
9-Jul	1.2	7.54	1.46	0.0	0.0005	0.016	0.001	0.015			0.340	1.57	8290.08
10-Jul	9.4	7.85	1.48	0.0	0.0006	0.018	0.001	0.016			0.370	1.67	9149.76
11-Jul	10.1	7.79	1.49	0.0	0.0006	0.016	0.002	0.014			0.380	1.94	9175.68
12-Jul	12.0	8.00	1.44	0.0	0.0006	0.020	0.001	0.016			0.380	1.89	8441.28
13-Jul	10.5	8.14	1.43	0.2	0.0006	0.015	0.001	0.014			0.360	1.89	7218.72
14-Jul	6.1	7.71	1.46	0.0	0.0004	0.013	0.002	0.013			0.320	1.81	8242.56
15-Jul	7.1	7.84	1.43	0.0	0.0005	0.014	0.001	0.013			0.300	1.78	8052.48
16-Jul	10.9	7.84	1.40	0.0	0.0005	0.013	0.002	0.013			0.330	1.77	4462.56
17-Jul	7.7	7.80	1.40	0.0	0.0005	0.012	0.001	0.013	0.013	< 0.02	0.320	1.76	4587.84
18-Jul	11.1	7.99	1.38	0.0	0.0005	0.016	<.001	0.016			0.29	1.75	3669.84
19-Jul	9.2	8.06	1.42	0.4	0.0007	0.015	<.001	0.015			0.25	1.75	2734.56
20-Jul	13.2	7.79	1.40	0.6	0.0005	0.015	<.001	0.015			0.28	1.76	2304.72
21-Jul	8.80	7.78	1.43	0.8	0.0005	0.016	<.001	0.015		12	0.27	1.75	1343.52
22-Jul	11.5	7.63	1.43	0.0	0.0007	0.010	0.001	0.011			0.29	1.35	1518.48
23-Jul	10.4	7.58	1.46	0.0	0.0004	0.010	<.001	0.010	1		0.29	1.41	559.44
24-Jul	8.80	7.65	1.47	0.4	0.0004	0.009	0.001	0.011	0.010	0.02	0.29	1.38	773.28
25-Jul	1.02	7.55	1.38	0.0	0.0006	0.011	<.001	0.014	0.012	0.03	0.29	1.41	4229.28
26-Jul	11.20	7.69	1.41	0.2	0.0005	0.011	<.001	0.013			0.28	1.38	5084.64
27-Jul	9.50	7.76	1.42	0.8	0.0006	0.012	<.001	0.014			0.30	1.40	5352.48
28-Jul	10.90	7.82	1.39	0.2	0.0005	0.013	<.001	0.015			0.28	1.38	5335.2
29-Jul	10.8	7.59	1.40	0.2	0.0005	0.025	<.001	0.016			0.28	1.37	1797.12
30-Jul	12.2	7.67	1.37	5.6	0.0004	0.013	<.001	0.012			0.23	1.36	2501.28
31-Jul	8.5	7.97	1.38	5.4	0.0004	0.019	<.001	0.014	0.011	0.04	0.24	1.32	3315.6
Average	9.2	7.76	1.46	0.6	0.0006	0.016	0.0012	0.015	0.0116	0.03	0.33	1.60	6032.5
Mass Lo	ading (kg)- J	uly	78.98	0.112	3.262	0.168	3.07	2.169	4.86 Bq	67.08	306.02	
									Total Ef	fluent Rel	leased	m3	187006

Note: One half of the Lab Detection Limits were used for the Mass Loading calculations where the lab limit was above one tenth of the Method Detection Limits as set out in Column 4 of Schedule 3 (MMER)

August Discharge 159-4 (Effluent from WTDA at Decant Structure)

Date	Temp.	рН	Cond.	T.S.S.	Cd total	Pb total	As total	Cu Total	Ni Total	Rad 226	Zn total	NH3	24 Hr
	(oC)		(mS)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Bq/L)	(mg/L)	(mg/L)	Flow
1-Aug	8.8	7.69	1.36	4.8	0.0004	0.021		0.013			0.24	1.34	4471
2-Aug	7.7	7.76	1.40	1.2	0.0004	0.019		0.016			0.25	1.32	5823
3-Aug	10.5	7.76	1.40	1.6	0.0006	0.016		0.016			0.26	1.32	5521
4-Aug	7.3	7.71	1.45	0.0	0.0004	0.011		0.012			0.28	1.31	4130
5-Aug	7.3	7.75	1.46	0.4	0.0004	0.011	0.001	0.012			0.29	1.37	4182
6-Aug	7.3	7.80	1.46	0.0	0.0004	0.010		0.013			0.25	1.32	8135
7-Aug	8.7	7.11	1.50	1.8	0.0004	0.011	0.001	0.017	0.009	0.03	0.28	1.35	5651
9-Aug	8.5	7.81	1.53	0.0	0.0004	0.012		0.017			0.32	1.70	2916
10-Aug	8.1	7.93	1.55	1.0	0.0004	0.016		0.020			0.33	1.73	3802
11-Aug	9.0	7.83	1.57	1.0	0.0004	0.013		0.018			0.33	1.77	3370
12-Aug	4.4	7.89	1.65	0.8	0.0005	0.015	0.001	0.019	0.010	0.02	0.34	1.76	3283
Average	8.0	7.73	1.48	1.15	0.0004	0.014	0.001	0.016	0.010	0.025	0.29	1.48	
Mass Lo	ading (l	(g)- A	ugust	58.92	0.02	0.70	0.043	0.79	0.487	1.282	14.40	73.8	
									Total Eff	luent Dep	osited	m3	51283

September Discharge 159-4 (Effluent from W T D A at Decant Structure)

Date	Temp.	pН	Cond.	T.S.S.	Cd total	Pb total	As total	Cu Total	Ni Total	Rad 226	Zn total	NH3	24 Hr
	(oC)		(mS)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Bq/L)	(mg/L)	(mg/L)	Flow
9-Sep	7.0	8.47	1.99	0.0	0.0004	0.003	0.002	0.017			0.15	1.15	8735.04
10-Sep	7.6	8.82	1.99	2.0	0.0004	0.003	0.002	0.018			0.14	1.21	6881.76
11-Sep	1.5	9.41	2.28	3.0	0.0003	0.001	0.002	0.019	0.012	0.04	0.06	1.18	5728.32
12-Sep	4.6	9.49	2.24	1.2	0.0002	0.002	0.002	0.020			0.04	2.54	3304.8
13-Sep	5.8	9.30	2.33	1.6	0.0003	0.001	0.002	0.024			0.07	2.78	5162.4
14-Sep	2.9	9.50	2.37	2.6	0.0002	0.001	0.002	0.026			0.08	2.66	2690.5
15-Sep	2.2	9.54	2.41	0.8	0.0003	0.001	0.002	0.026			0.06	2.72	3062.88
16-Sep	0.7	9.22	2.44	2.2	0.0003	0.001	0.002	0.028			0.07	2.66	4285.44
17-Sep	0.0	9.19	2.55	1.8	0.0003	0.001		0.027			0.09	2.66	1313.28
18-Sep	0.1	9.20	2.59	0.8	< 0.0001	< 0.001	0.002	0.026	0.016	0.060	0.09	2.84	5585.76
19-Sep	1.2	9.14	2.5	0.6	0.0003	0.001		0.025			0.15	3.91	85155.8
20-Sep	4.3	9.48	2.55	1.6	0.0006	0.002		0.035			0.39	4.17	23479.2
21-Sep	1.9	9.03	2.61	1.6	0.0007	0.001		0.036			0.40	4.90	14497.9
22-Sep	2.5	8.58	2.68	1.2	0.0008	0.001		0.037			0.43	4.90	13037.8
23-Sep	3.1	8.13	2.74	0.8	0.0008	0.001		0.037			0.46	4.90	11577.6
24-Sep	3.9	9.04	2.65	0.2	0.0007	0.001		0.038			0.45	4.90	16545.6
25-Sep	3.7	9.25	2.55	0.0	0.0007	0.001	0.003	0.037	0.024		0.44	4.90	10553.8
26-Sep	3.2	8.91	2.76	0.0	0.0007	0.001		0.038			0.46	4.57	7516.8
27-Sep	3.5	8.71	2.65	0.6	0.0008	0.002		0.039			0.47	4.10	4691.52
28-Sep	4.1	8.62	2.75	1.2	0.0009	0.001		0.040			0.51	4.36	4752
29-Sep	3.0	8.64	2.74	0.4	0.0008	0.001		0.040			0.51	4.56	3520.8
30-Sep	2.0	8.59	2.69	0.4	0.0009	0.001		0.039			0.51	4.62	3456
Average	3.1	9.01	2.50	1.1	0.0005	0.001	0.002	0.031	0.01733	0.050	0.27	3.51	
Mass Lo	ading (l	(g)- S	ept	220.30	0.1206	0.305	0.516	7.35	4.256	12.28 Bq	66.83	955.76	
									Total Eff	luent Dep	osited	m3	245535

Note: One half of the Lab Detection Limits were used for the Mass Loading calculations where the lab limit was above one tenth of the Method Detection Limits as set out in Column 4 of Schedule 3 (MMER)

Effluen	t Chara	cteriz	ation an	d Wate	er Quali	ity Mon	itoring	Param	eters		
Date	Location	Aluminum	Cadmium	Iron	Mercury	Molybdenum	Ammonia	Nitrate	Alkalinity	Total Hardness	Dissolved
24-Jul	159-4	<.01	0.0004		<.0001	0.014	1.38	0.88	26	767	9.8
24-Jul	159-4A	0.34	<.0001		<.0001	<.005	0.04	<0.01	12	56	8.99
24-Jul	159-4B	0.19	<.0001		<.0001	<.005	0.12	<0.01	13	13	9.08
18-Sep	159-4	0.16	<0.0001	0.05	<.0001	<.0001	2.84	0.98	46	1240	9.4
18-Sep	159-4A	0.12	0.0002	0.07	<.0001	0.031	1.39	0.95	48	1220	9.05
18-Sep	159-4B	0.38	<0.0001	0.21	<.0001	<0.005	0.11	<0.10	31	69	9.21
Date	Location	Temperature	Hd	Conductivity				,			
24-Jul	159-4	8.8	7.65	1.47							
24-Jul	159-4A	9.9	8.07	0.06							
24-Jul	159-4B	7.2	8.29	0.00							
18-Sep	159-4	0.1	9.20	2.59							
18-Sep	159-4A	0.3	9.03	2.50							
18-Sep	159-4B	1.3	9.00	0.00							

159-4A is located approximately 50 metres downstream from the decant structure at station 159-4 159-4B is located approximately 50 metres upstream from the decant structure at station 159-4

All samples collected during the Quarter were *Grab* samples except for 159-4A on July 24 and September 18, which were *Composite* samples.

A total of 23,200 cubic metres of potable water were pumped from East Twin Lake (ETL) during the 3rd quarter (approximately one half the License limit). The majority of this water was used for domestic purposes (townsite) with only 682 m³ used for industrial purposes (pressure washing in the industrial complex). As reported in the 2nd quarter report, adjustments have been made to the town water system to reduce the amount being circulated/pumped from the lake to avoid freezing of the system.

Toxicity Test Report – Rainbow Trout July 24, 2004 - SNP Station 159-4

Tests conducted by Stantec Consulting Ltd. 11B Nicholas Beaver Road RR3 Guelph, Ontario N1H 6H9 519-763-4412

Sample Identification:

Nanisivik Mine Time Collected: 11:30 Company: Date Collected: Location: Nanisivik, NU 2004-07-24 Substance: 159-4 Date Received: 2003-07-27 Sampling Method: Grab Date Tested: 2003-07-27 18.5° Sampled By: M. Markle Temp. on arrival:

Sample Description: Clear, yellow, odorless

Test Method: Acute Lethality of Liquid Effluents to Fish EPS 1/RM/13, Environment Canada, 1990

(including December, 2000 amendments).

Test Results:

0% mortality at 100% effluent concentration The results reported relate only to the sample tested.

Phenol Reference Toxicant Data

Trout Batch #: T04-09

Date Tested (y/m/d): 2004-07-23 Historical Mean LC50: 10.1mg/L LC50 (95% confidence 10.5 mg/L (7.5 – 12.5) Warning Limits (±2SD): 7.9 – 12.8 mg/L

limits):

Statistical method: Non-linear Interpolation Analyst(s): JG/TB/AK

Test Fish

Control Fish Sample Size: 10 Cumulative prev. 7D stock tank mortality: 0%Mean fish Weight (g) (\pm 2SD): 0.53 \pm 0.27) Mean Fish Fork Length (mm) (\pm 2 SD) 38.2 (\pm 5.2) Range of Weights (g): 0.34 - .78 Range of Fork Lengths (mm): 35 - 43

Fish Loading Rate (g/L): 0.26

Test Conditions

Sample treatment:	None	Volume Tested (L):	20
PH Adjustment:	None	# Replicates:	1
Test Aeration	Yes	# Animals Per Replicate:	10
Aeration Rate 9mL/min/L	6.5 ± 1	Total # Animals Per Test Level	10
Trout Batch #	T04-09		

Rainbow Trout Toxicity Test Report

	Temp	рН	D.O.	O2 Sat.	Cond.	Total Pre	-Aeration
	(°C)		(mg/L)	(%)*	(umhos)	Time(h) @ 6	5.5 mL/min/l
Initial Water Chemistry	14.0	7.5	9.7	-	1515		
Chemistry after 30 min air:	14.0	7.5	9.7	100	1515	0:	30
		0 Hc	ours				
Date & Time	2004-07-27	13:30					
Technician	AK						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp.	02 Sat. (%)*
100	0	0	7.5	9.7	1515	14.0	100
Control	0	0	8.4	9.8	564	14.0	101
		24 H	ours		1		
Date & Time	2004-07-28	13:30					
Technician	AK						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp.	
100	0	0	2	-	-	15.0	
Control	0	0	-	-	-	15.0	
		48 H	ours				
Date & Time	2004-07-29	13:30			- 1117-1111		
Technician	TB						
Test Conc. (%)	Mortality	Immobility	рН	D.O.	Cond.	Temp.	
100	0	0		-		14.5	
Control	0	0	-	-	-	14.5	
		72 H	ours				
Date & Time	2004-07-30	13:30					
Technician	DR				_		
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp.	
100	0	0	-	-	-	14.5	194 1314
Control	0	0	-	15.0	-	14.5	
		96 H	ours				
Date & Time	2004-07-31	13:30					
Technician	AK						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp.	
rest coner (70)			9		4.100	40.000	
100	0	0	7.1	8.8	1498	15.0	

3.1 West Twin disposal area (continued)

Toxicity Test Report – Daphnia Magna July 24, 2004 - SNP Station 159-4

Tests conducted by Stantec Consulting Ltd. 11B Nicholas Beaver Road RR3 Guelph, Ontario N1H 6H9 519-763-4412

Sample Identification:

Company: Nanisivik Mine Time Collected: 11:30 Location: Nanisivik, NU Date Collected: 2004-07-24 Substance 159-4 Date Received: 2003-07-27 Sampling Method: Grab Date Tested: 2003-07-27 Sampled By: M. Markle Temp. on arrival: 18.5°

Sample Description: Clear, yellow, odorless

Test Method: Daphnia magna Acute Lethality Toxicity Test Protocol EPS 1/RM/14, Environment

Canada, 1990 (including December, 2000 amendments).

Test Results:

80% mortality at 100% effluent concentration
The results reported relate only to the sample tested.

Sodium Chloride Reference Toxicant Data

Daphnia Batch #: Dm04-14

Date Tested (y/m/d): 2004-07-19 Historical Mean LC50: 5.7 mg/L LC50 (95% confidence 5.2 mg/L (4.0 – 6.3) Warning Limits (±2SD): 4.3 – 7.6 mg/L

limits):

Statistical method: Non-linear Interpolation Analyst(s): J. Pickett

Daphnia magna Culture Health Data

Time to First brood (days): 8.2 Average # Young Per Brood: 40.2

Culture Mortality (prev. 7d)(%) 3.0

Test Conditions

3 Sample treatment: None # Replicates: # Animals Per Replicate: 10 PH Adjustment: None Test Aeration None Total # Animals Per Test Level 30 Daphnia Batch # Dm04-14 Daphnia Loading Rate: 1-5.0

mL/organism

3.1 West Twin disposal area (continued)

Daphnia magna Toxicity Test Report

	Temp	pН	D.O.	O ₂ Sat.	Cond.	Hardn	iess	Har	dness	Total	Pre-Aeration
	(°C)		(mg/L)	(%)*	(umhos)	Mg/L as (CaCO ₃	Adju	stment	Time (h)	@ 30 mL/min/
Initial Water Chemistry	19.5	7.6	9.8	110	1526	690)	N	one		0:30
					Hour	rs .					
Date & Time	2004-	07-27	10:25								
Technician	JP										
Test Conc. (%)	Morta	ality	Immobili	ity pl	I D.C). Cond	. Т	emp.	02 Sa	it. (%)*	Hardness
100A	0		0	7.	5 9.2	1526		20.0	1	105	690
100B	0		0	7.	5 9.2	1526		20.0			
100C	0		0	7.	5 9.2	1526		20.0			
Control A	0		0	8.	6 8.5	395		21.5	-		
Control B	0		0	8.	6 8.5	395		21.5			
Control C	0		0	8.	6 8.5	395		21.5	1	100	180
				2	4 Hou	rs					
Date & Time	2004-	07-28	10:25			7-1					
Technician	JP										
Test Conc. (%)	Mortal	ity II	mmobility	pН	D.O.	Cond.	Ter	np.			
100A	0		7	-	-	15	21	.0			
100B	0		4	-	120	7-7	21	.0	18		
100C	0		4	-	-	-	21	.0			
Control A	0		0	-	1.0	-	21	.0		55 JUL 1997 - AND	
Control B	0		0	-	-	-	21	.0			
Control C	0		0	-	1-	-	21	.0			
			100	4	8Hou	rs					
Date & Time	2004-	07-29	10:25								
Technician	JP										a facility of
Test Conc. (%)	Mortal	ity I	mmobility	рН	D.O.	Cond.	Tei	mp.		Figure	
100A	6		4	7.4	8.3	1517	21	.0			
100B	9		1	7.4	8.3	1525	21	.0			
100C	9		1	7.4	8.3	1511	21	.0			
Control A	0		0	8.5	8.6	400	21	.0			
Control B	0		0	8.5	8.7	398	21	0.			
Control C	0		0	8.5	8.6	399	21	0.1			

Toxicity Test Report – Rainbow Trout September 19, 2004 - SNP Station 159-4

Tests conducted by Stantec Consulting Ltd. 11B Nicholas Beaver Road RR3 Guelph, Ontario N1H 6H9 519-763-4412

Sample Identification:

Company: Nanisivik Mine Time Collected: 12:00 Location: Nanisivik, NU Date Collected: 2004-09-19 Substance: 159-4 Date Received: 2004-09-22 Sampling Method: Grab Date Tested: 2004-09-22 Sampled By: M. Markle Temp. on arrival: 20.0°

Sample Description: Clear, Colourless, odourless.

Test Method: Acute Lethality of Liquid Effluents to Fish EPS 1/RM/13, Environment Canada,

1990 (including December, 2000 amendments).

Test Results:

0% mortality at 100% effluent concentration The results reported relate only to the sample tested.

Potassium Chloride Reference Toxicant Data

Trout Batch #: T04-12

Date Tested (y/m/d): 2003-09-20 Historical Mean LC50: 3963 mg/L LC50 (95% confidence 3223/L (2670 - 3719) Warning Limits (±2SD): 3091 - 5090 mg/L

limits):

Statistical Method: Probit Analyst(s): AK/ATC

Test Fish

Control Fish Sample Size:	10	Cumulative prev. 7D stock tank	0.2%
		mortality:	
Mean fish Weight (g) (± 2SD):	0.47 ± 0.16	Mean Fish Fork Length (mm) (± 2 SD)	$38.8 (\pm 4.8)$
Range of Weights (g):	0.37 - 0.60	Range of Fork Lengths (mm):	36-43
Fish Loading Rate (g/L):	0.23		

Test Conditions

Sample Treatment:	None	Volume Tested (L):	20
PH Adjustment:	None	# Replicates	1
Test Aeration	Yes	# Animals Per Replicate:	10
Aeration rate (mL/min/L):	6.5 ± 1	Total # Animals Per Test Level	10
Trout Batch #	T04-12		

Rainbow Trout Toxicity Test Report

	Temp	pН	D.O.	O2 Sat.	Cond.	Total	Pre-Aeration
	(°C)		(mg/L)	(%)*	(umhos)	Time(h)	@ 6.5 mL/min/L
Initial Water Chemistry	15.0	8.5	9.3	-	2673		
Chemistry after 30 min air:	15.0	8.5	9.4	98	2673		0:30
		0 H	ours				
Date & Time	2004-09-22	15:45	and the second				
Technician	AK						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp.	02 Sat. (%)
100	0	0	8.5	9.4	2673	15.0	98
Control	0	0	8.3	9.6	590	15.0	100
		24 H	lours				
Date & Time	2004-09-23	15:45		7			
Technician	TG						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp	
100	0	0	-	-	-	14.0	
Control	0	0	-	-	-	14.0	
		48 F	lours				
Date & Time	2004-09-24	15:45					
Technician	TG						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp	
100	0	0	-	-	- 1	16.0	
Control	0	0	-	-	-	16.0	
		72 H	lours				
Date & Time	2004-09-25	15:45				62	
Technician	ATC						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp	
100	0	0	15	12	-	15.0	
Control	0	0	-	-	-	15.0	
		96 H	Iours				
Date & Time	2004-09-26	15:45					
Technician	ATC						
Test Conc. (%)	Mortality	Immobility	pН	D.O.	Cond.	Temp	
100	0	0	7.5	8.9	2696	15.0	
Control	0	0	8.2	8.4	590	15.0	

Toxicity Test Report - Daphnia Magna September 19, 2004 - SNP Station 159-4

Tests conducted by Stantec Consulting Ltd 11B Nicholas Beaver Road RR3 Guelph, Ontario N1H 6H9 519-763-4412

Sample Identification:					
Company:	Nanisivik Mine	Time Collected:	12:00		
Location:	Nanisivik, NU	Date Collected:	2004-09-19		
Substance:	159-4	Date Received:	2004-09-22		
Sampling Method:	Grab	Date Tested:	2004-09-22		
Sampled By:	M. Markle	Temp. on arrival:	20.0°		
Sample Description:	Clear, Colourless, odourless.				
Test Method:	Daphnia magna Acute Lethality Toxicity Test Protocol EPS 1/RM/14, Environment Canada, 1990 (including December, 2000 amendments).				
Test Results:		li li			
13.3% mortality at 100% e The results reported relate					
Sodium Chloride Refer	rence Toxicant Data				
Daphnia Batch #:	Dm04-18				
Date Tested (y/m/d):	2003-09-14	Historical Mean LC50:	5.5 mg/L		
LC50 (95% confidence limits):	6.0 mg/L (4.0 – 10.0)	Warning Limits (±2SD):	4.3 – 7.2 mg/L		
Statistical Method:	Non-linear Interpolation	Analyst(s):	J. Picket		

Daphnia magna Culture Health Data

Time to First brood (days):	9.3	Average # Young Per Brood:	42.5
Culture Mortality (prev. 7d)(%)	3.5		

Test Conditions

Sample treatment	None	# Replicates:	3
PH Adjustment:	None	# Animals Per Replicate:	10
Test Aeration	None	Total # Animals Per Test Level	30
Daphnia Batch #	Dm04-18	Daphnia Loading Rate:	15.0
mL/organism			