

#### 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 October through December 2007.

### **RECLAMATION ACTIVITIES**

The site was shut down in early October. All buildings were boarded up and the water systems drained. The underground portals were closed for the winter. The only reclamation activity during the quarter was salvage of electrical cables for scrap copper. Monitoring of the site was done by Custom Services of Arctic Bay. The monitoring included reading the geotechnical instruments at the West Twin disposal area and general security of the site.

### **Schedule**

The site will be reopened in the spring to complete the remaining work. The revised schedule is attached.

## **Effluent Monitoring**

There were no effluent releases from and of the identified discharge points during the 4<sup>th</sup> quarter.

# **Cost Summary**

The net expenditures for the 4th Quarter were 128,509.93 bringing the total net expenditures to 15,597,732.05.

### **Waste Haulage Summary**

There were no waste haulage activities during the quarter.