Environmental Protection Branch Qimugjuk Building 969 P.O. Box 1870 Iqaluit, NU X0A 0H0

Tel: (867) 975-4639 Fax: (867) 975-4645

May 18, 2005 Our file: 4705 037 NANI

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O Box 119
Gjoa Haven, NU X0E 1J0
Tol: (867) 360-6338

Tel: (867) 360-6338 Fax: (867) 360-6369

Via Email at licensing@nwb.nunavut.ca

RE: NWB1NAN0208/F, 2 – Amendment to the Reclamation Plan for the K-Baseline Area

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

Breakwater Resources Ltd. is proposing to modify the approved reclamation procedure for contaminated soils from the K-Baseline area. The approved plan includes the excavation and haulage of an estimated 7,400 m³ of soil to the underground mine workings via the East Adit. However, entry to the East Adit is currently blocked by an extensive ice lens. Therefore, Breakwater Resources has presented two alternative disposal locations. The first option involves placing the material underground via the West Adit, using a disposal location already targeted for hydrocarbon contamination. The second option involves disposal in the East Open Pit under a 2.2 m thick thermal barrier consisting of shale rock.

While placement of the hydrocarbon contaminated materials underground is EC's preferred option as it most closely matches the approved plan, EC appreciates that this option may cause excessive delays in the other aspects of the remediation work. Therefore, given that the East Open Pit is already approved to receive other contaminated soils, EC has no major concerns with the placement of the soils in question from the K-Baseline into the East Open Pit. However, the proponent must ensure that the cover material is placed in accordance with the Quality Assurance/Quality Control Plan for Surface Reclamation and Cover Construction (November 18, 2004). Further, EC recommends that the sampling regime for the groundwater monitoring wells located down gradient from the East Open pit be modified to include monitoring for hydrocarbons. If no well is suitably located down gradient, EC recommends that a groundwater monitoring well be installed to monitor hydrocarbon levels.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 975-4639 or by email at colette.spagnuolo@ec.gc.ca.



Yours truly,

Original signed by

Colette Spagnuolo Environmental Assessment / Contaminated Sites Specialist

cc: (Stephen Harbicht, Head, Assessment and Monitoring, Environment Canada, Yellowknife)

