



Water Resources Division
Nunavut Regional Office
Iqaluit, NU
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NWB File: 1AR-NAN0914
CIDMS #: 366884

Nov 19, 2009

Phyllis Beaulieu
Manager of Licensing
P.O. Box 119
Gjoa Haven, NU
X0A 0H0

**Re: 1AR-NAN0914 – Post Closure Geotechnical Monitoring Contingency
Plan and Contingency Plan for Water Quality Exceedances –
Breakwater Resources Ltd. – CanZinco Ltd. – Nanisivik Mine**

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of 1AR-NAN0914 Type "A" Water License 2009 Comprehensive Contingency Plan for the Nanisivik Mine Site Project. The NWB circulated the Report for comments on October 22, 2009. All associated documents related to this license posted on the NWB ftp site under 1AR-NAN0914 were included in my review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 979-4282 or by email at Ian.Parsons@inac.gc.ca.

Sincerely,

Original signed by

Ian Parsons
Water Resources Technician

Cc. Ian Rumbolt, Acting Manager of Water Resources – Indian and Northern
Affairs Canada, Nunavut Regional Office



Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board
Bob Carreau – Breakwater Resources Ltd.

From: Ian Parsons – Water Resources Technician, Indian & Northern Affairs Canada.

Re: 1AR-NAN0914 – Post Closure Geotechnical Monitoring Contingency Plan and Contingency Plan for Water Quality Exceedances – Breakwater Resources Ltd. – CanZinco Ltd. – Nanisivik Mine

The 2009 Comprehensive Contingency Plan Report submitted by Breakwater Resources Ltd. (Bob Carreau) did not contain part “c” of Item 8 under Part I of the Water License. Part “c” of Item 8 under Part I of the Water License is contained in a separate report.

The Comprehensive Contingency Plan addressed many of the requirements of the Water License # 1AR – NAN0914, Part I, Item 8. However, it was noted that the following information was not provided in the 2009 Comprehensive Contingency Plan Report.

Part I Item 8 (a) of the water license states that the Comprehensive Contingency Plan must include a consolidation of contingency measures as provided in the Appendices to the 2004 Reclamation Plan and Closure Plan(s)

The Comprehensive Contingency Plan did not include a consolidation of all contingency measures as provided in the Appendices to the 2004 Reclamation Plan and Closure Plan(s)

If some or all of the contingency measures as provided in the Appendices to the 2004 Reclamation Plan and Closure Plan(s) do not apply to the Comprehensive Contingency Plan then it should be stated, otherwise all contingency measures should be included in the Report.

Breakwater Resources Ltd. should provide the Nunavut Water Board all outstanding information referred to above in order to comply with the requirements of Part I Item 8 parts “a, b and d” of the water license.

Cc. Ian Rumbolt, Acting Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office



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