



Gartner Lee Limited

June 13, 2003

Mr. R. Carreau
CanZinco Ltd.
bcarreau@breakwater.ca

Dear Mr. Carreau:

Re: Nanisivik Mine, Phase 2 Environmental Site Assessment, Response to Nunavut Water Board Review Dated June 10, 2003

The Nunavut Water Board (NWB) provided additional review comments, dated June 10, 2003, on our report *Nanisivik Mine, Phase 2 Environmental Site Assessment, January 2003* (the “ESA Report”). Comments were submitted to the NWB by two organizations: Government of Nunavut (GN) and Acres International Limited (Acres) and follow from our response, dated May 19, 2003, to a previous set of regulatory review comments from a larger number of organizations.

We are pleased to see that this “second round” of review comments is of a much smaller scope than the first and take this as a positive indication that our response to the first round of comments was well received and resolved many of the questions and requests for clarification.

The purpose of the ESA investigations and the ESA report were, primarily, to provide a complete description of the local biophysical environment and the areas and contaminants of environmental concern. The ESA Report is intended to be documentary in nature to provide information that is necessary for the development of remedial plans and site specific remedial objectives.

Because of the documentary nature of the ESA Report, a primary consideration in its evaluation is the level of care and professionalism incorporated onto the research, design and execution of the investigations. We are gratified by the comments from many of the reviewers that the work was performed to an acceptable level of care and professionalism and we thank those reviewers for that recognition.



In light of the above, we feel that the remaining comments regarding the ESA Report, as provided by the NWB June 10, 2003, are focussed on finalizing the review process and that the responses provided herein could enable the NWB to “approve” the ESA report as required by the Nanisivik Water License.

Our responses to the specific elements of the latest review comments are provided below.

GN Comments

The GN letter dated June 11, 2003 does not provide a specific comment on the ESA report but, rather, defers further comment until receipt (by GN) of expert advice on public health, which is anticipated to be received prior to June 20, 2003. The reference to a public health expert and other statements in the GN letter imply that these additional comments are likely to focus on the Human Health and Ecological Risk Assessment (HHERA) that was prepared by Jacques-Whitford Environment Limited (JWEL) rather than on the ESA Report. Therefore, we do not anticipate any additional substantive additional comments on the ESA Report from the GN.

Acres Comments Re. Applicability of the 1985 Soil Data

Acres, in their letter to the NWB dated June 5, 2003, recommend that “CanZinco shall revisit one more time the issue of the 1985 background soil data, for use in the screening process of the HHERA report”.

It is our view that the 1985 soil data is an important source of information that is directly relevant to both the ESA Report and the HHERA. Further, it is both appropriate and beneficial, in our view, that the data was used in these reports.

The purpose of including the 1985 soil data into the ESA Report is to provide a complete description of the environment that makes use of all of the available information. One of the important components of the 1985 soil data is to complement past and current observations and mapping of natural mineralized areas in and around the mine area. For example, the identification of a naturally mineralized area to the general northeast of the town site is based, primarily, on past and current observations and geological mapping and this first hand information is complemented and supported by the 1985 soil data.

The 1985 soil data were used as one component of the calculations of the site-specific soil quality remediation objectives (SQRO's) as described in the HHERA report prepared by JWEL. It is our understanding, from JWEL, however that the sensitivity of the end results (i.e. the SQRO's) to the 1985 soil data is relatively small; that is, that the 1985 data play a relatively minor role in the calculations. It is also our understanding that, were the 1985 soil data to be skewed high in soil



metal concentrations (as is a general comment from the reviewers), this would have the effect of reducing the calculated SQRO's because the higher soil metal concentrations would provide an artificially high "background" intake which would, in turn, reduce the allowable additional intake. This adds a degree of conservatism into the calculations.

In our view and in general, the availability of site-specific data for the closure planning process (including the calculation of SQROs) increases confidence in the plan and increases the validity of the plan as compared to other sites where generic data must be used.

It is always important that the limitations of any source of technical information be documented and understood to ensure that the data is used appropriately. In the case of the 1985 soil data, we feel that the limitations of the data have been well documented in the ESA Report as also supplemented in the May 19 response to review comments. However, the limitations of the data should not be taken as negating the benefits of employing the data as reliable, site-specific information that generally increases confidence in the closure planning process.

Acres Comments Re. Possible Alternatives to the 1985 Soil Data

Acres, in their letter to the NWB dated June 5, 2003, question whether there is alternate or "surrogate" background data that could be used in place of the 1985 data.

To our knowledge, the 1985 soil data provide the best and most comprehensive data set available to provide a quantitative characterization of local soils. The 1974 to 1976 studies that were conducted by B.C. Research Inc. provide ground cover mapping and some soil characterization (observations of physical properties) but do not provide any numerical data regarding metals in soils. Further, we are not aware of any other studies conducted by the mine owner or by other parties in the mine area that would be comparable or useful in this regard.

The use of "surrogate" data (transposed from a separate, similar location) is generally a consideration in circumstances where no site-specific information exists or where the existing site-specific information does not suit the needs of the project. It is our view that the 1985 soil data is appropriate for use at Nansivik, with due consideration of its limitations, and that there is no benefit to the project in attempting to transpose remote data from another location.

Acres Request for a Revised Executive Summary and Table of Contents

Acres, in their letter to the NWB dated June 5, 2003, request that a revised Executive Summary and Table of Contents be provided that would incorporate and compile all of the new documentation that has been generated from the review comments and responses.



We agree that the new documentation should be adequately compiled such that it is readily available in the project file. However, we have discussed with you an alternative means of accomplishing this goal and we recommend that we continue with the alternative.

We will be preparing a new report later in 2003 that documents the follow up ESA investigations that are currently being planned. In this new report, we would incorporate the new documentation and new information. This would provide an administrative benefit in that the existing ESA Report that has already been distributed on the public registry would not require amendment and redistribution.

Closing

We trust that this letter will satisfy the review comments referenced. Please let us know if we can be of further assistance.

Sincerely,
GARTNER LEE LIMITED

(via email)

Eric Denholm
Senior Mining Consultant