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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

NWB File No: 1AR-POL0311/
Amendment/Renewal

May 8, 2014

Bruce Donald, Manager, Dormant Properties, Environment
Teck Metals Ltd., Dormant Properties Office
Bag 2000
Kimberley, BC V1A 3E1
Email: Bruce.Donald@teck.com

Re: Licence No. 1AR-POL0311; Amendment and Renewal Application by Teck Metals Ltd., for Polaris Mine.

Dear Mr. Donald:

The Nunavut Water Board (“NWB”) acknowledge receipt, on September 26, 2013, of the Type “A” Water Licence amendment and renewal application and supporting documentation submitted on August 31, 2013 by Teck Metals Ltd. (the Applicant or Teck) for Polaris Mine (Project), Licence No. 1AR-POL0311.

Your submission has been placed in the Board’s public registry and is available through the NWB’s ftp site, using the following (Username: **public**; Password: **registry**):

<ftp://nunavutwaterboard.org/1%20PRUC/1%20INDUSTRIAL/1A/1AR%20-%20Remediation/1AR-POL0311/1%20APPLICATION/2013%20Renewal%20Amendment/>

A list of all of documents that the NWB received as part of the submission is included as Appendix A, which is attached to this letter.

The current Water Licence No 1AR-POL0311 expired on December 31, 2013, as such, the Board wishes to remind Teck Resources Ltd that the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (Act) Section 46 states:

The expiry or cancellation of a Licence does not relieve the holder from any obligations imposed by the Licence.

File Submission History:

On August 31, 2013 Teck Metals Ltd (Teck) submitted an Application for the renewal and amendment of Licence 1AR-POL0311, the file was submitted within an application package, to renew and amend Teck Water Licence 1AR-POL0911 as a new type 'B' Licence.

On October 21, 2013 the Nunavut Water Board (Board) responded to the submitted Application and provided some clarification with respect to the approach required for the 1AR-POL0311 licence renewal. The stated Board's position, in concurrence with previous decisions such as those for Lupin¹ and Nanisivik² Mines, is that a Type "A" Water Licence is required, regardless of the life cycle stage of the undertaking, until final reclamation is achieved and the licensee no longer requires a water licence. The Board also recognized that due to the reduced scope of this project it may be willing to discuss mechanisms to streamline the specific information requirements associated as well as the Board's processing of the Application. On this basis, the Board requested Teck's conformity to consider and process the application materials provided on August 31, 2013 to support an application for a Type "B" Water Licence as an application for the renewal of the expired Type "A" Water Licence.

On December 31, 2013, Teck responded that it will agree to the Type "B" Water Licence application be used as the application for a type "A" licence. Additionally, Teck asked the Board to provide an explanation as to what would constitute "final abandonment and reclamation" of the site.

On March 19, 2014 the Board responded³ that the standards, timelines and expectations for final abandonment under the Nunavut Waters and Nunavut Surface Rights Tribunal Act have not yet been developed. And, although the Board is working with Aboriginal Affairs and Northern Development Canada (AANDC) in order to help define those conditions that may no longer require a Licence from the Board, in the interim the Board will continue to rely on the evidence it receives from AANDC Inspectors and other expert interveners with respect to its determination of an undertaking's status.

In consideration of the above, the NWB's initial preliminary review of your submission deems that your application is for the amendment and renewal of a Type "A" water licence, which will require a public hearing in accordance with s.52⁴ of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA or Act). All public hearings will be carried out in accordance with the Board's *Rules of Practice and Procedure for Public Hearings*, adopted May 11, 2005, (NWB Rules).

The next step in processing your application involves a completeness review and a technical assessment to determine if all of the necessary information and studies to evaluate quantitative and qualitative effects of your project on the freshwater environment have been provided.

¹ NWB1LUP0008 & 2AM-LUP0914 Water Licences and Decisions

² NWB1NAN0208 & 1AR-NAN0914 Water Licences and Decisions

³ Letter to B. Donald, Teck Resources Limited from D. Côté E. D., NWB , Re: Renewal of Water Licence 1AR-POL0311 (Reclamation and Post- Closure Monitoring of the Polaris Mine Site) dated March 19, 2014

⁴ Nunavut Waters and Nunavut Surface Rights Tribunal Act; Section 52 (1) Subject to subsection 37(2), a public hearing shall be held by the Board before it disposes of (a) any application in relation to a licence, unless the application is of a class that is exempted by the regulations from the requirement of a public hearing.

Accordingly, by copy of this letter, the Board requests that interested parties review the submission for completeness and technical assessment including any Information Requests (IRs) that may be identified. In addition, the Board requests that interested parties provide comments to the NWB on the type of Technical Meeting/Pre-Hearing Conference and Public Hearing to be held for the Application (written, teleconference, or in person as outlined in steps 3 and 4 in the process set out below). All intervening parties' submissions should be sent to the NWB's Manager of Licensing at licensing@nwb-oen.ca by **3:00 p.m. M.T., May 28, 2014**.

Following receipt of comments, the NWB will determine whether the application is complete, or whether additional information and studies are required to evaluate all quantitative and qualitative effects of the undertaking pursuant to Section 48 of the Act. The NWB will advise Teck of the Board's determination at that time.

Once the application is deemed complete, the following generalized process will be followed:

1. Notice of the Application

A notice of the Application will be made in accordance with subsection 55(1) of the Act. This notice will invite interested persons to make representation to the Board. Parties will be advised of the consequences of failure to respond as outlined in s. 59 and s.s. 60(2) of the Act. Furthermore, the Board will distribute notice to the communities and interested parties affected by the application and shall publish the notice in a newspaper of general circulation in the areas that are affected. If there is no such newspaper, the Board shall publish the notice in such other manner as the Board considers appropriate.

2. Detailed Technical Review

Interested parties will be advised to undertake a detailed technical assessment or review of the complete application for the undertaking. Parties will be encouraged to work cooperatively to address technical issues identified during the review period. Generally, the Board provides at least thirty (30) days for a technical review in advance of a technical meeting. However, to assist the board in expediting the technical assessment, parties are encouraged to begin their detailed technical assessment as early as possible.

1. Technical Meeting (TM)/Pre-Hearing Conference (PHC)

Rule 14 of the NWB Rules permits the Board, through its staff or in conjunction with staff, to hold a Technical Meeting (TM) and Pre-hearing Conference (PHC) with the interested parties, either in writing, by teleconference, or in person. The Board anticipates setting a date for a TM/PHC shortly after the deadline for receiving technical review submissions, which will be announced subsequently. The PHC is typically scheduled to commence immediately following the TM.

4. PHC Decision

Following the TM/PHC, the NWB will issue a PHC decision and may outline the technical commitments of the Applicant and the administrative and procedural requirements for a Public Hearing.

5. Public Hearing (PH) Notice

Sub-section 55(2) of the Act requires a minimum notice period of sixty (60) days be provided for a Public Hearing (PH). As with the Technical Meeting and Pre-hearing Conference, the Board has the ability to conduct its Public Hearing in writing, by teleconference, or in person. Once the Board has received all information requested through this process and is satisfied that the Public Hearing should proceed, the type or place, date, and time of the hearing will be determined and a notice will be published by the Board in advance of the public hearing and in a manner that promotes public awareness and participation in the hearing.

The NWB acknowledges that the Applicant included as part of its Application, the previous Nunavut Planning Commission's Land Use Conformity Determination and Nunavut Impact Review Board's Screening Decision for the project. However, because the Application involves a renewal as well as an amendment to the scope of activities and undertaking associated with the project, the NWB is forwarding the application to the NPC to provide its determination and recommendations pursuant to Sections 13.4.2 through 13.4.5 of the Nunavut Land Claim Agreement (NLCA) and to the NIRB to provide a screening decision in accordance with 13.5.1 of the NLCA. It should be understood that the NWB, in accordance with 39 (1) of the Act may not issue, renew, or amend a licence until the NIRB has completed the screening, reconsideration, or where a review is required, issued a new project certificate.

In the interests of ensuring this application is dealt with in a timely and coordinated manner, while recognizing the absence of directions from the NPC and NIRB regarding the pre-licensing process that may be required, the Board will continue with its processing of your application to the extent possible.

To re-state the above, the NWB is requesting comments on the completeness of the Application based on an initial technical assessment, the type of technical meeting/prehearing conference and public hearing to be held, as well as Information Requests (IRs) to be submitted to the Board no later than 3:00 p.m. (MT), May 28, 2014. All submissions should be provided to the NWB's Manager of Licensing at licensing@nwb-oen.ca.

If you have any questions regarding procedural matters, please contact Phyllis, Beaulieu, Manager of Licensing, at 867-360-6338 or by e-mail to phyllis.beaulieu@nwb-oen.ca. For inquiries related to technical matters, please contact David Hohnstein, Director of Technical Services by e-mail to david.hohnstein@nwb-oen.ca or Sonia Aredes, Technical Advisor by email to sonia.aredes@nwb-oen.ca

Yours truly,

Original Signed by:

Phyllis Beaulieu
Manager of Licensing

Cc: Distribution List – Qikiqtani Region

**Appendix A: List of Documents Received
Under August 31, 2013 Submission**

| No | Document |
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| 1. | Email to multiple destinataries from D. Bruce, Teck, Re: 130626 1AR-POL0311 Require Status Update on Renewal-OMLE; on July 5 2013. |
| 2. | <p>Application for Water Licence Renewal and Amendment Form; dated August 31, 2013. In addition of the Application Form, the Application also included the following supporting documents:</p> <ul style="list-style-type: none"> • Email cover to multiple destinataries, from B. Donald, Teck Resources Limited, Re: Polaris Mine - Application for Type B Water Licence Email 1 of 7 dated August 31, 2013; • Cover Letter from B. Donald, Teck, to P. Beaulieu, NWB, Re: Former Polaris Mine Long Term Monitoring Program: Application to renew and amend Teck Metal Ltd.'s Water Licence 1AR-POL0311, Polaris Mine Closure and Reclamation as a new Type 'B' Water Licence; on August 31, 2013; • Att. #2 - Cert of Name Change re Block1. Teck Resources Limited Notarial Certificate and Industry Canada Certificate of Amendment; • Att. #3 - Maps to address Block 5. Drawing No PM-2013-CSL-0.Polaris Mine/General/ Reports/ Topographic Plan Current Sampling Locations; • Att. #4 - NPC Correspondence associated with Block 7. Email to K. Tunaley, TLA Consultants (Teck), from C. Tickner, NPC, Re: Teck Metals – Former Polaris Mine Long Term Monitoring Program, on March 22, 2013; • Att. #5 - 2002 NPC Conformity Determination. Letter to P. Beaulieu, NWB, from B. Aglukark, NPC, Re: NWB file#NWB1POL Water Licence (Renewal), on November 12, 2002; • Att. #6 – Correspondence from NIRB to address Block 8. Email to K. Tunaley, TLA Consultants (Teck), from A. Hanson, NIRB, Re: Teck Metals Ltd – Former Polaris Mine Long Term Monitoring Program, on March 12, 2013. • Att. #7 – 2002 NIRB Screening Decision Re Block 8. Screening Decision, letter to T. Kudloo, NWB, Re: Screening Decision of the Nunavut Impact Review Board (NIRB) on Application NIRB 01MD098 NWB NWB1POL Decommissioning and Reclamation of Polaris Mine, on December 5, 2002; • Att. #8a – Proposed Long Term Geotechnical Monitoring Plan re Block 9. Former Polaris Mine Site, Nunavut. Proposed Long-Term Geotechnical Monitoring Program, Golder Associates, May 28 2013; • Att. #8b – CV Darrin Johnson re Block 9. Resume – Darrin Johnson, Golder Associates Ltd. – Mississauga; • Att. #8c – CV Ross Hammett re Block 9. Resume – Ross Hammett, Golder Associates Ltd. – Burnaby, Employment History; • Att. #8d – Proposed Long-Term Garrow Monitoring Program re Block 9. Letter Report to B. Donald, Teck, Re: Long-term Monitoring Program of Garrow Creek, Polaris Mine, Nunavut, from Randy Baker, MSC, R P. Bio. Principal, Azimuth Consulting Group Inc, dated April 4, 2013, the letter includes Appendix A; • Att. #8e – Resume R Baker re Block 9. Randle F. Baker, M.Sc. R.P. Bio; • Att. #9 – Community Engagement Report re Block 20. Former Polaris Mine |

Decommissioning and Reclamation Public Engagement Report, 2003-2013, Teck Metals Ltd. April, 2013. Report includes Appendices A, B, C, D, E, F & G.

- Att. #10 – Financial Security Assessment – Re Block 21. Polaris Mine Projected Site Monitoring Costs 2014 to 2031;
- Att. #11 – Listing of Teck Metals Ltd Directors re Block 22. Teck Metals Ltd. (formerly, Teck Cominco Metals Ltd.), on June 20 2013;
- Att. #12 – Compliance Assessment and Detailed Amendment Requests. Former Polaris Mine Long Term Monitoring Program, Compliance Assessment and Requested Amendments, April 2013;
- Att. #12a – Email re missed 2009 sublethal. Email to K. Tunaley, from D. Bruce Re: Polaris testing – sub lethal missed, March 16, 2013;
- Att. #12b – Sublethal Toxicity Summary April 3. Letter report to B. Donald, Teck Metals from Randy Baker, MSC, RPBio, Azimuth Consulting. Re: Implications of Sublethal Toxicity Testing Results at Polaris Mine, dated April 3, 2013;
- Att. #12c – Summary reporting dated April 2013 re Block 23. Former Polaris Mine, Decommissioning and Reclamation Summary of Reporting 2003-2011, Teck Metals Ltd. April 2013;
- Att. #12d1 – Correspondence with NWB Oct 18 2009. Correspondence to B. Donald, Teck, from D. Hohnstein, NWB; Re: Reconciliation of Administrative Requirements of Type “A” Water Licence 1AR-POL0311, on September 1, 2009;
- Att. #12d.2 – Correspondence with NWB Sept 1, 2009. Correspondence Attention D. Hohnstein, DTS NWB from B. Donald, Teck, Re: Response to Reconciliation of Administrative Requirements of Type “A” Water Licence 1AR-POL0311, on October 18 2009. It also has attached the following: att. # 1 Inuktitut Translation 2006 3rd Quarter and Annual Report, att. # 2 Mass Loading Monitoring Results for Cadmium and Mercury;
- Att. #13 – 130411- Exec Summary English;
- Att. #14 - 130411 – Exec Summary Inuktitut;
- Att. #17 – 111017 Azimuth Letter Report re Garrow Lake and Creek Trends. Letter report to B. Donald, Teck Metals, from Azimuth Consulting Group Partnership, Re: Evaluation of Limnological and Chemical Conditions of Garrow Lake and Chemistry of Garrow Lake, Nunavut 2002-2011, on October 17, 2011;
- Att. #18 – 111201 – Memo from Azimuth re Garrow Lake Dissolved Zinc. Letter Report to B. Donald, Teck Metals, from Randy Baler, M. Sc., R. P. Bio. Principal, Azimuth Consulting Group Partnership, Re: Assessment of total and Dissolved Metals Concentrations in the Water Column of Garrow Lake, on December 1, 2011;
- Att. #19a – 130411 – EC on MMER and EEM dated July 27, 2006. Letter to B. Donald from J. Ferone, Environment Canada (EC), Re: Polaris 2005 Annual MMER and EEM Report, on July 27, 2006;
- Att. #19b – 130411 – EC review of Final EEM report dated Sept 15, 2006. Letter to B. Donald, Teck Cominco Mining Partnership & Teck Cominco Metals Ltd, from S. Sigurdson, Regional Director, EC, Re: Polaris Mine Environmental Effects Monitoring (EEM) Interpretative Report Review, on September 15, 2006;
- Att. #19c – 130411 – TCL Response to EC Letter Accepting Final EEM Report dated Sept 29, 2006. Letter Report Attention S. Sigurdson Regional Director, EC, from B. Donald, Teck Cominco Limited, Re: Polaris Mine Environmental Effects Monitoring

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| | <p>(EEM) Interpretative Report Review dated September 29, 2006. Attached: AXYS (2001) report – Garrow Lake Model – 2001 Summary Report;</p> <ul style="list-style-type: none"> • Att. #20a – 111017 1AR-POL0311 Letter to NWB Re Polaris Water Licence. Letter to P. Beaulieu, NWB, from B. Donald, Teck, Re: Expiry of Licence 1AR-POL0311-Polaris Mine, on October 17, 2011; • Att. #21 – 130411 – Proposed Licence. Proposed Type ‘B’ Water Licence, Former Polaris Mine Long Term Monitoring Program, August 2013; |
| 3. | <p>Letter to D. Hohnstein, NWB, from B. Donald, Teck; Re: Former Polaris Mine Long Term Monitoring Program: Application to renew and amend Teck Metals Ltd’s Water Licence 1AR-POL0911 as a Type ‘A’, on December 31 2013.</p> |