



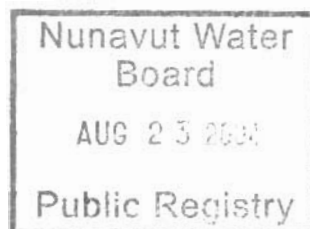
Indian and Northern
Affairs Canada
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Land Administration
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August 6, 2004

Mr. Bruce J. Donald
Reclamation Manager
Environment and Corporate Affairs
Teck Cominco Ltd., Polaris Operations
P.O. Box 188
Resolute Bay, NU
X0A 0E0



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Dear Mr. Donald:

**Re: Polaris Mine Closure and Reclamation Project
INAC Inspection June 20-22, 2004**

On June 20th and 22nd, 2004 the Department of Indian and Northern Affairs Canada (INAC) conducted a site visit to review the Polaris Mine site closure and reclamation project. The visit consisted of the following INAC staff: James Noble, Resource Management Officer III, Constantine Bodykevich, Water Resource Officer, and Spencer Dewar, Land Administrator Specialist. Also present was INAC's technical advisor, Holger Hartmaier of BGC Engineering Inc.

The purpose of the site tour was to inspect the ongoing decommissioning, closure and reclamation work being carried out by Teck Cominco Limited (TCL), in accordance with approved closure plans, land leases and water licence. This letter will summarize the items that required follow-up by TCL as discussed in the debriefing meeting held on-site June 21, 2004.

Garrow Lake Dam - TCL agreed to re-grade and fix up soft areas on downstream side of dam. Final grading on upstream side of dam after snow melts. Monitor cut slopes in dam for erosion.

Subsidence Zone - TCL will initiate monitoring of surface movements using GPS. TCL will forward a report by Golder assessing subsidence data to INAC as soon as possible. TCL should be prepared to initiate any long-term, post closure mitigation measures that may be required. Plus, excavate test pits to confirm cover thickness over debris placed into Subsidence Zone landfill.

Canada

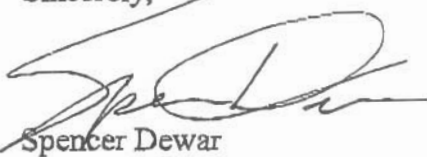
Operational Landfill - Replace fine grained cover materials meeting design specifications.

Product Storage Area - TCL to write letter explaining testing protocol and presence of minor relict amounts of metals contaminated soil within the bedrock crevices. Justify cover materials and indicate that mixing of metals contaminated soils with cover would not exceed site remediation target concentrations.

TCL requested that INAC attempt to conduct one more site inspection before reclamation and decommissioning was complete in order to address any issues that may require equipment while it is still on site. The overall impression is that TCL is progressing very well towards their reclamation objectives and that no major problems are foreseen to completing the work to meet the target date of early September, 2004. The current plan is to conduct one final site inspection after TCL is offsite in early September. We encourage a close working relationship within the final weeks of remediation to ensure that outstanding issues do not remain during the final inspection.

We trust the above mentioned recommendations will be accommodated. If you wish clarification or further information please feel free to give me a call at 867-975-4283.

Sincerely,



Spencer Dewar

Acting Manager, Land Administration

cc. Executive Director
Nunavut Water Board

Resource Management Officer
DIAND, Nunavut

Water Resource Officer
DIAND, Nunavut