

June 3, 2003

Vernon Betts Homestake Canada Inc. P.O. Box 11115 1100-1055 W.Georgia St. Vancouver, B.C. V6E 3P3

E-mail: vbetts@homestake.com

Re: Response to comments from Environment Canada Cullaton Lake Project

Please respond to the comments forwarded by Environment Canada. Of particular interest to NIRB is the question of "passive treatment". Under section 5.2.3 "Collection and Treatment of Surface Runoff and Seepage" this was not considered a viable option.

All information is to be forwarded to Colette Meloche of Environment Canada and myself at NIRB.

If you have any questions regarding, please do not hesitate to contact our office.

Yours truly,

Gladys Jourirey
Environmental Assessment Officer

Tel: (867) 983-2593 Fax: (867) 983-2574 MAY-28-03 18:59 From: ENV C. . GALUIT NUNAVUT

8679832574 B96975-445

T-636 P.02/03 Job-556



Canada

Environment Environmement Canada

Environmental Protection Branch Qimugluk Building 969 P.O. Box 1870 Igaluit, NU X0A 0H0 Tel: (867) 975-4639 Fax: (887) 975-4645

May 23, 2003

Gladys Joudrey Environmental Assessment Officer Nunavut Impact Review Board P.O. Box 2379 Cambridge Bay, NU X0B 0C0 Tel: (867) 983-2593 Fax: (807) 983-2594

Our file: 4705 037 CULL

Vla Facsimile

RE: NIRB 03AN067 - Homestake Canada Inc. - Cullaton Lake Project

On bohalf 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 ACL, and the Species at Risk ACL.

Homestake Canada Inc. Is applying for an amendment to the abandonment and restoration plan portion of their approved water license to allow for the encapsulation of waste rock at the Shear Lake portal. Homestake Canada Inc. Identified the onset of acid rock drainage (ARD) originating from the waste rock pile located adjacent to Shear Lake. Associated effects noted include depressed pH and elevated sulphate in surface waters, as well as localized damage to vegetation. An application to control the ARD via subaqueous disposal was made in March 2001. However, subsequent work by the proponent Identified encapsulation as the preferred method, and this work was completed in 2001. This amendment application includes an overview of the encapsulation work that has been completed, as well as the "Assessment of Closure Options and Impacts, Shear Lake Zone Waste Rock Dump" report.

Homestake Canada Inc. has identified seepage as a potential impact resulting from the encapsulation of the waste rock pile. As such, a toe berm has been constructed around the pile to collect any potential seepage and prevent overland flow, and no seepage was noted in 2002. Environment Canada requests further information regarding the "passive treatment" measures that Homestake has identified to be implemented in the event that seepage from the pile occurred.

As no information or drawings were presented in the application indivating either the number of thermistors to be installed at SNP station 940-26 or the size / exact location of the pile, EC is unable to comment on whether the number of thermistors is adequate for the size of the waste rock pile.

Homestake Canada Inc. is proposing to monitor the water quality and temperatures at the two new SNP stations in 2003 and 2004 only. Environment Canada requests additional information regarding the parameters for the water quality monitoring at the new SNP station 940-25. Given that the two new SNP stations will be established during the 2003 site inspection, this would only allow for approximately 11/2 years of data to be collected. Environment Canada recommends that the monitoring program for this waste rock disposal area be continued until 2008, which will allow

anada





8679832574

T-276 P.003/004 F-810

89597. 45

T-636 P.03/03 Jpb-556

for a full 5 years of compling data to be collected, with additional campling to be done in years 7 and 10.

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

Yours truly,

Colette Melocha

Environmental Assessment Specialist

(Mike Fournier, Northern Environmental Assessment Coordinator, Environment Canada, Yellowknife)
(Anne Wilson, Water Pollution Specialist, Environment Canada, Vellowknife)