



Cover Letter

TO Phyllis Beaulieu
Manager of Licensing, Nunavut Water Board

File: 9545-2-2.1BR-CULA

CIDMS: 272250

October 9, 2008

FROM David Abernethy
Regional Coordinator, Water Resources Division
Nunavut Regional Office

SUBJECT **Water License #1BR-CUL0708, Barrick Gold Inc., Cullaton Lake Project, Kivalliq Region, Renewal Application**

Please be advised that on behalf of Indian and Northern Affairs Canada (INAC), I have reviewed the above-referenced license renewal application submitted by Barrick Gold Inc. to the Nunavut Water Board (NWB) for approval.

A Technical Memorandum is provided for the NWB's consideration.

Should you have any questions regarding the comments / recommendation provided, please contact me at 867-975-4555 or AbernethyD@inac-ainc.gc.ca.

Regards,
David W. Abernethy

Cc. Kevin Buck, Manager of Water Resources
Bernie MacIsaac, Manager of Field Operations



Technical Memorandum

TO Phyllis Beaulieu
Manager of Licensing, Nunavut Water Board

File: 9545-2-2.1BR.CULA

CIDMS: 272251

October 9, 2008

FROM David Abernethy
Regional Coordinator, Water Resources Division
Nunavut Regional Office

SUBJECT Water License #1BR-CUL0708, Barrick Gold Inc., Cullaton Lake Project, Kivalliq Region, Renewal Application

DESCRIPTION

Barrick Gold Inc. (BGI) submitted a renewal application to the Nunavut Water Board (NWB) for the above-referenced water license on August 25, 2008. This renewal application was subsequently distributed to interested parties for review on September 9, 2008. The renewal application consists of the following documents:

- Cover letter dated August 25, 2008;
- Cover letter in Inuktitut, received on September 1, 2008; and,
- Water License Application Form.

Please note that the *2007 Tailings Dam Examination* received by the NWB on March 7, 2008 that was distributed for review on September 25, 2008 has been considered in this renewal application assessment. This report was submitted by BGI to satisfy license requirement Part D, Item #8.

COMMENTS / RECOMMENDATIONS

The following comments / recommendations are provided to the NWB for consideration in the approval of this water license renewal application.

1. License Expiry Date

- BGI has requested an amendment to its current water license expiry date from November 30, 2008 to November 30, 2009. INAC recommends that the water license have a longer duration taking into account that the project's closure status may not be determined within this timeframe. Rather than seeking possible subsequent annual license renewals, an extended expiry date would be preferred.

2. Confirmatory Study

- INAC anticipates receiving BGI's assessment on whether completed mitigation efforts satisfy its 2006 *Abandonment and Restoration Plan*, including an update on the status of the acidic water pond observed in the Shear Lake Area.
- From September 1 to 5, 2008, Paul Brugger, Cullaton Lake Site Manager, was on site. Prior to the site visit INAC requested that Mr. Brugger forward (to the INAC Nunavut Regional Office) rock samples from the Shear Lake Area. They area as follows:
 - quartzite rock above low pH pool;
 - till material from Encapsulated Waste Rock Cover;
 - quartzite rock from berm upstream of Shear Lake (Sheer Creek diversion);
 - mineralized quartzite from outcrop immediately west of Encapsulated Waste Rock Cover; and,
 - mineralized rock found in yard area by portal.

The reason for this sample collection was to allow Mineral Resources staff to characterize the rock material used in site reclamation activities and to compare noted observations with those made by BGI. A total of eight (8) rock samples were received on September 30, 2008.

Should you have any questions regarding the comments / recommendation provided, please feel free to contact me at 867-975-4555 or AbernethyD@inac-ainc.gc.ca.

Regards,
David W. Abernethy

Cc. Kevin Buck, Manager of Water Resources
Bernie MacIsaac, Manager of Field Operations