



Water Resources Division
Nunavut Regional Office
Indian and Northern Affairs Canada
Iqaluit, NU X0A 0H0

Our File: 9545-2 / CIDMS 200290

Reference: 2BE-KIY

February 29, 2008

Richard Dwyer
Licence Administrator
Nunavut Water Board
Gjoa Haven, NU X0B 1J0

**Re: 2BE-KIY / Newmont Canada Ltd. / Kiyuk Lake Project / Kivalliq Region /
Type B Licence Application**

On behalf of Indian and Northern Affairs Canada (INAC), I have reviewed the above mentioned Type B licence application submitted by Newmont Canada Ltd. for the Kiyuk Lake Project. The following advice has been provided pursuant to INAC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

The Kiyuk Lake Project is situated in Nunavut's Kivalliq Region, having a general coordinate of 60° 26' north latitude, 100° 23' west longitude. The project area is approximately 350 kilometers west southwest of Arviat, Nunavut. Project activities will comprise of diamond drilling on both land and ice. Accommodation facilities will not be mobilized to the project area, rather, project personnel will be based out of the Nueltin Treeline Lodge in Manitoba.

Indian and Northern Affairs Canada recommends that the following comments be considered when reviewing this licence application.

General

1. The Proponent's Water Licence Application Form should be signed and dated by a Newmont Canada Ltd. representative. Namely, E. Kenneth Paul, the identified applicant.
2. Sumps used for the collection of drill cuttings and drill water should be situated at least thirty (30) metres from adjacent water sources.

Spill Contingency Planning

3. The Fuel Spill Contingency Plan's emergency contacts should include Peter Kusugak, Manager of Field Operations, INAC Nunavut Regional Office (NRO);

Henry Kablalik, the Resource Management Officer, Kivalliq Region; and David Ningeongan, Water Resources Officer, Kivalliq Region.

Peter Kusugak, Manager of Field Operations – INAC NRO

Tel. (867) 975-4295

Fax. (867) 979-6445

Email. KusugakP@inac-ainc.gc.ca

Henry Kablalik, Resource Management Officer – Kivalliq Region - INAC NRO

Tel. (867) 645-2831

Fax. (867) 645-2592

Email. KablalikH@inac-ainc.gc.ca

David Ningeongan, Water Resources Officer – Kivalliq Region – INAC NRO

Tel. (867) 645-2089

Fax. (867) 645-2592

Email. NingeonganD@inac-ainc.gc.ca

4. A copy of the Nunavut Spill Report Form should be included in the Fuel Spill Contingency Plan. This form can be accessed from the Nunavut Water Board's online public registry.
5. Copies of all material safety data sheets applicable to the Kiyuk Lake Project should be included in Fuel Spill Contingency Plan.
6. Once the Proponent has determined where a fuel cache will be established in the Kiyuk Lake Project area, the Spill Contingency Plan should be revised. A schematic diagram of this fuel cache should be included in this plan. This schematic diagram should reference the fuel cache's proximity to nearby freshwater sources, base contour lines, cardinal north orientation, spill response equipment, and coordinate. An appropriate scale should be used.
7. Maps of the Kiyuk Lake Project area should be included in the Fuel Spill Contingency Plan to provide a visualization of the project area in relation to the larger Kivalliq Region.
8. According to Item 4 of the submitted Fuel Spill Contingency Plan, collapsible polyurethane berms will provide secondary containment for small fuel caches established within the project area. Detailed designed and installation information for these secondary containment systems should be included in this Plan.

Indian and Northern Affairs Canada requests notification of any changes in the proposed project, as further review may be necessary. Please contact me should you have any questions or comments with regards to the foregoing. I can be reached by telephone at (867) 975-4555 or by email at AbernethyD@inac-ainc.gc.ca.

Regards,

Original signed by

David W. Abernethy
Water Resources Coordinator

Cc. Jim Rogers, Manager of Water Resources – Indian and Northern Affairs Canada,
Nunavut Regional Office