



Fisheries and Oceans
Canada

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May 1, 2006

Mr. Jeremy Howe
BHP Billiton Diamonds Inc.
P.O. Box 49223
Vancouver, BC V7X 1L2

Your file *Votre référence*
2BE-NCB

Our file *Notre référence*
NU-06-0019

Via electronic mail to:
jeremy.j.howe@bhpbilliton.com

Dear Mr. Howe:

Subject: Proposed works or undertakings will not likely result in negative effects to fish habitat if additional protection measures are implemented.

Fisheries and Oceans Canada (DFO) received your proposal on April 10, 2006, concerning the establishment of a camp and prospecting. To expedite future correspondence or inquiries, please refer to your referral title and file numbers when you contact us.

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|--------------------|---|
| Referral File No.: | 06-HCAA-CA7-000-000019 |
| Habitat File No.: | NU-06-0019 |
| Referral Title: | Exploration (Prospecting) - North Central Baffin Project, Unnamed waterbody, Qikiqtani |

It is our understanding that your proposal consists of:

- *An exploration program between June 15, 2006 and June 15, 2007 involving prospecting and the use of small exploration camp.*

as outlined in the following plans:

- *Nunavut Water Board application for a water licence dated March 28, 2006*

If the above plans have changed since the time of submission, the advice in this letter may no longer apply and you should consult with us to determine if further review is needed.

We have concluded that the proposed works and undertakings are adequate to protect fish and fish habitat provided that the work is carried out as described in your plans and the following additional measures are implemented:

The extraction of water via intake from any fish-bearing water body is prohibited under Section 30 of the *Fisheries Act* unless the intake is screened to prevent fish entrainment. As a result, the following additional mitigation measure should be implemented:

- The *Freshwater Intake End-of-Pipe Fish Screen Guideline* (DFO, 1995) which is available upon request or at the following internet address: www.dfo-mpo.gc.ca/Library/223669.pdf should be followed. Small lakes and streams should not be used for water withdrawal.

If works and or undertakings require water in sufficient volume that the source water body may be drawn down, details should be submitted (volume required, size of waterbody, fish species etc.) to DFO for review.

By implementing these additional measures and those already outlined in your plans, it is our opinion that the proposed works and undertakings will not likely result in the harmful alteration, disruption or destruction (HADD) of fish habitat, which is prohibited unless authorized by DFO. These are recommendations to ensure that the proposed works will likely not result in a HADD of fish habitat. Therefore a subsection 35(2) Authorization is not necessary.

You could contravene subsection 35(1) of the *Fisheries Act* if a HADD of fish habitat results from any change in your proposed plan or from failure to properly implement these additional measures. Subsection 35(1) states, “*no person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat.*”

This letter of advice does not permit the deposit of deleterious substance (section 36 of the *Fisheries Act*) into waters frequented by fish nor does it release you from the responsibility to obtain any other federal (for example, the *Navigable Waters Protection Act*), provincial, territorial, or municipal approvals.

We request that you notify us at least 10 working days before starting the work and that a copy of this letter be kept on site while work is in progress. If you have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed works or undertakings, please contact myself directly by telephone at (867) 979-8011, by fax at (867) 979-8039, or by e-mail at moggyd@dfo-mpo.gc.ca.

Yours sincerely,

Original signed by:

Derrick Moggy
Habitat Management Biologist

Copy: Phyllis Beaulieu – Nunavut Water Board (licensing@nwb.nunavut.ca.)