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Department of Environment

Ministère de l'Environnement

May 5, 2008

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board

via Email to: licensing@nunavutwaterboard.org

RE: NWB FILE # 2BE-BLU – ALYRIS GOLD CORPORATION – BLUE CARIBOU EXPLORATION PROJECT

Dear Ms. Beaulieu:

The Government of Nunavut, Department of Environment (DOE) has reviewed the water license application from Alyris Gold Corporation for the Blue Caribou Project, located approximately 190 km south-southeast of Bathurst Inlet. Based on DOE's mandate under the *Environmental Protection Act*, the following comments are provided regarding spill contingency planning, and abandonment & restoration.

1. Spill Contingency Plan (SCP)

1.1 General

- The DOE monitors the movement of hazardous wastes, from generators, carriers to receivers of the wastes, through the use of a tracking document known as a Waste Manifest. A Waste Manifest must accompany all movements, and all parties must register with DOE by contacting Robert Eno at (867)975-7748 or reno@gov.nu.ca. This procedure should be discussed in the spill plan.
- Please include the following telephone numbers in the Spill Contingency Plan contact list:
 - GN-Department of Environment (general inquiry): (867) 975-7700
 - Manager Pollution Control and Air Quality: (867) 975-7748.
- The SCP does not outline any disposal/treatment techniques for contaminants (e.g. contaminated soils); however, states that Federal and Territorial regulatory agencies will be contacted in order to “identify appropriate disposal methods before disposing of contaminated material”. The DOE advises the proponent that the role of the regulatory agencies is

not to instruct how the disposal is done, but to ensure that clean up and disposal/treatment occurs in an approved and authorized manner. The proponent should revise the Spill Contingency Plan to outline details including, but limited to the following: disposal/treatment techniques, location of disposal sites approved to accept wastes, and means of storage prior to disposal. For further information, the proponent is referred to DOE's *Environmental Guideline for Site Remediation* and *A Guide to Spill Contingency Planning and Reporting*.

1.2 Fuel Storage

To prevent spreading in the event of a spill, fuel stored in drums should be located, whenever practical, in a natural depression a minimum distance of 90 feet from all streams, preferably in an area of low permeability. All fuel storage containers should be situated in a manner that allows easy access and removal of containers in the event of leaks or spills. MSDS should be provided for each fuel and be posted in a central location in the event of a spill. Large fuel caches in excess of 20 drums should be inspected daily.

1.3 Chemical Storage

All chemicals should be stored in a safe and chemically-compatible manner a minimum of 90 feet from all bodies of water. The applicant should be required to remove unused chemicals for reuse or disposal to an approved site using methods approved by the Land Use Inspector. Material safety data sheets (MSDS) should be provided for each chemical and be posted in a central location; accessible by all camp personnel. Camp personnel should be conversant in the handling of these chemicals as well as able to deal with any accidents or spills.

1.4 Location of Hazardous Materials

Hazardous materials stored on-site should be marked so they will be visible under all conditions, in all seasons. This recommendation is intended to help prevent possible injuries to camp personnel and/or damage to the containers. Unless otherwise specified by the land use inspector or license -issuing agency, all hazardous materials should be removed from the site upon completion of the activity. The proponent is referred to DoE's *Environmental Guideline for the General Management of Hazardous Waste*.

2. Abandonment & Restoration Plan

2.1 Contaminated Soils

Soil contaminated by fuel (e.g., soils under an old storage tank) should be treated on site or removed to an approved disposal site and replaced with new soil. The proponent is referred to DoE's *Environmental Guideline for Site Remediation*.

2.2 Drill Sumps

The sumps should only be used for inert drilling fluids, not any other materials or substances. The sumps should be properly closed out.

2.3 Final Inspections

Final inspections of the entire site should be conducted by the proponent and lead agency to make sure that all areas of the site have been reclaimed as much as possible to its previous condition. Soil samples and pictures before and after the project would make this process easy on the proponent and leading agencies involved in determining areas of concern.

The DOE thanks NWB for the opportunity to provide comments on Alyris Gold Corporation's water license application. Please contact us if you have further questions.

Yours sincerely,

Original signed by

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