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Oct 19, 2007

Richard Dwyer
License Administrator
Nunavut water Board
Cambridge Bay, NU

via e-mail

RE: Golden Bull Resources Corporation – SLAVE (Contwoyto Lake and Hood River) Project – 2BE-SLA

On behalf of Environment Canada, 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 Act*, and the *Species at Risk Act*.

BACKGROUND

Golden Bull Resources Corporation is proposing to conduct non-diamond base metal and precious metal resource exploration activities in the Kitikmeot region of Nunavut at the Contwoyto Lake and Hood River property. Exploration activities will include ground magnetic surveys, Induced Polarization and Electro Magnetic geophysical surveys, mapping and sampling. Approximately 2000-3000m of land based drilling is planned as well as the potential for on-ice drilling of the east arm of Contwoyto Lake. Access to the area will be by charter, float equipped aircraft from Yellowknife to Penthouse Lake/Esker Lake (a small lake east/south of the Zinifex (Wolfden) Ulu Prospect). Fuel will be flown directly to Penthouse Lake/Esker Lake and may, in the subsequent years of the exploration program, be flown (or possibly driven) to the Lupin, Jericho or Ulu airstrip and from there mobilized to the active base camp via charter helicopter.

If the results of the initial geological and geophysical surveys are positive, a short drill program will be undertaken possibly during the 2008 exploration season, the first field season of the program. During the subsequent full exploration season (2009), it is currently proposed that the camp be re-established in the Contwoyto Lake Area on the south shore of the East Arm of Contwoyto Lake; either at 65° 47' 24" North Latitude and 110° 43' 33" East Longitude or at the site of the old Hecla exploration camp (65° 48' 37" North Latitude and 110° 39' 27" East Longitude).

During the program, no permanent structures will be established and all garbage and camp material will be removed at the end of each field season and at the termination of the program. Sewage will be contained using "Pacto-type" toilets and subsequently burned with the ash being buried. Grey water at the camp and at any drill sites will drain into a sump to be filtered. The sump will be remediated after completion of each drill hole or in the case of the camp, at the end of each field season. All refuse will be burnt daily in an approved incinerator and remaining non-combustible solid wastes will be compacted and backhauled for disposal in Yellowknife.

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Environment Canada recommends that the following conditions be applied throughout all stages of the project:

Regulatory

- The proponent shall not deposit, nor permit the deposit of any fuel, drill cuttings, chemicals, wastes or sediment into any water body. According to the *Fisheries Act*, Section 36(3), the deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any other deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.
- **All** releases of harmful substances, regardless of quantity, are immediately reportable where the release:
 - is near or into a water body;
 - is near or into a designated sensitive environment or sensitive wildlife habitat;
 - poses an imminent threat to human health or safety; or
 - poses an imminent threat to a listed species at risk or its critical habitat.

Drilling

- Any sumps created for the disposal of grey water, drill cuttings and sewage shall be located above the high water mark of any water body and constructed in such a manner as to prevent the contents from entering any water body frequented by fish. All sumps shall be backfilled upon completion of the field season and contoured to match the surrounding landscape.
- Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the water, or demonstrated to be non-toxic.
- For “on-ice” drilling, where drill additives are not being used, return water released must be non-toxic, and not result in an increase in total suspended solids in the immediate receiving waters above the Canadian Council of Ministers for the Environment Guidelines for the Protection of Freshwater Aquatic Life (i.e. 10mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100mg/L).
- Land based drilling should not occur within 30 m of the high water mark of any water body. Drilling wastes from land based drilling shall be disposed of properly such that the contents do not enter any water body.
- EC recommends that if artesian flow is encountered, the drill holes be immediately plugged and permanently sealed.

Waste Management

- The proponent shall burn all combustible waste in an approved incinerator, and shall ensure that all hazardous waste, waste oil and non-combustible waste generated are backhauled and disposed of in an approved waste disposal site. EC recommends that rather than using a modified 45 gallon drum, an approved incinerator be used on-site in order to ensure complete combustion and compliance with the *Canadian Environmental Protection Act* regulations. A variety of incineration devices are available and selection of the most appropriate will depend on considerations of technical and economical feasibility for each situation. Installation of an incineration device capable of meeting the emission limits established under the *Canada-wide Standards (CWS) for Dioxins and Furans* and the *CWS for Mercury Emissions* is required (both the Government of Canada and the Government of the Nunavut are signatories to these Standards and are required to implement them according to their respective jurisdictional responsibility). The proponent should review the incineration options available and provide justification for the selected device to the regulatory authority.

The objective should be to ensure that only food waste and food-contaminated waste is burned (the use of paper, cardboard and clean wood as supplementary fuel is acceptable).

- Used absorbent materials, oily or greasy rags, and equipment servicing wastes (such as used engine oil, antifreeze, hydraulic oil, lead acid batteries, brake fluid and other lubricants) should be safely stored and transported in sealed containers and safely transported to a facility that is authorized for the treatment and disposal of industrial hazardous wastes.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at cindy.parker@ec.gc.ca.

Yours truly,

Original signed by

Cindy Parker
Environmental Assessment Specialist

cc: (Carey Ogilvie, Head- EA North, Environment Canada, Yellowknife, NWT)
(Myra Robertson, Environmental Assessment Coordinator, CWS, Yellowknife, NWT)