

Environmental Protection Operations
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Our file: 4703 001 097

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RE: NWB 2BE-TIM0608 Renewal- Diamondex Resources Ltd. - TIM Project

On behalf of Environment Canada (EC), 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*.

Diamondex Resources Ltd. is proposing to carry out a mineral exploration program at the IC and TIM block of claims, located approximately 90 km southeast of Kugaaruk, NU. Proposed activities include ground geophysical surveys followed by a reverse circulation drill program. No camp will be established.

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

- The proponent shall not deposit, nor permit the deposit of any fuel, chemicals, wastes, drill cuttings 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.
- If an artesian flow is encountered, the drill hole shall be immediately plugged and permanently sealed upon project termination.
- Any sumps, including those required for the disposal of drill cuttings and sewage waste, shall be located above the high water mark of any water body and in such a manner as to prevent the contents from entering any water body frequented by fish. Further, all sumps shall be backfilled upon completion of the field season and contoured to match the surrounding landscape.
- All fuel caches shall be located above the high water mark of any water body. Further, EC recommends the use of secondary containment, such as self-supporting insta-berms, when storing barreled fuel on location rather than relying on natural depressions.
- Environment Canada would like to inform the proponent that the *Canadian Environmental Protection Act* has listed CaCl as a toxic substance. If CaCl is to be used as a drill additive during land based drilling, the proponent shall ensure that sumps containing CaCl are properly constructed and located in such a manner as to ensure that the contents will not enter any water body.
- Once available, please forward the locations of any drill holes.
- Section 6 (a) of the Migratory Birds Regulations states that no one shall disturb or destroy the nests or eggs of migratory birds. Therefore, CWS recommends that all activities be conducted outside the migratory bird breeding season, which extends from approximately May 15 to July 31. These dates are approximate, and if

active nests (i.e. nests containing eggs or young) are encountered outside of these dates the proponent should avoid the area until nesting is complete (i.e. the young have left the vicinity of the nest).

- If activities are permitted to occur during the breeding season, CWS recommends that the proponent confirm there are no active nests (i.e. nests containing eggs or young) in the vicinity of their operations before activities commence. If active nests of migratory birds are discovered, the proponent should halt all activities until nesting is completed (i.e. the young have left the vicinity of the nest).
- In order to reduce disturbance to nesting birds, CWS recommends that aircraft used in conducting project activities maintain a flight altitude of at least 610 m during horizontal (point to point) flight.
- In order to reduce disturbance to resting, feeding, or moulting birds, CWS recommends that aircraft used in conducting project activities maintain a vertical distance of 1000 m and minimum horizontal distance of 1500 m from any observed concentrations (flocks / groups) of birds.
- Section 5.1 of the *Migratory Birds Convention Act* prohibits persons from depositing substances harmful to migratory birds in waters or areas frequented by migratory birds or in a place from which the substance may enter such waters or such an area.
- All mitigation measures identified by the proponent, and the additional measures suggested herein, should be strictly adhered to in conducting project activities. This will require awareness on the part of the proponents' representatives (including contractors) conducting operations in the field. Environment Canada recommends that all field operations staff be made aware of the proponents' commitments to these mitigation measures and provided with appropriate advice / training on how to implement these measures.
- Implementation of these measures may help to reduce or eliminate some effects of the project on migratory birds, but will not necessarily ensure that the proponent remains in compliance with the *Migratory Birds Convention Act* (the *Act*) and *Migratory Birds Regulations* (the *Regulations*). The proponent must ensure they remain in compliance with the *Act* and *Regulations* during all phases and in all undertakings related to the project.

The following comments are pursuant to the Species at Risk Act (SARA), which came into full effect on June 1, 2004. Section 79 (2) of SARA, states that during an assessment of effects of a project, the adverse effects of the project on listed wildlife species and its critical habitat must be identified, that measures are taken to avoid or lessen those effects, and that the effects need to be monitored. This section applies to all species listed on Schedule 1 of SARA. However, as a matter of best practice, EC asks that species listed on other Schedules of SARA and under consideration for listing also be included in this type of assessment.

Species at Risk that may be encountered	Category of Concern	Schedule of SARA	Government Organization with Expertise on Species
Peregrine Falcon (subspecies tundrius)	Special Concern	Schedule 3	Government of Nunavut
Grizzly Bear	Special Concern	Pending	Government of Nunavut
Wolverine (Western Population)	Special Concern	Pending	Government of Nunavut

Impacts could be disturbance and attraction to operations.

Environment Canada recommends:

- The proponent should identify potential Species at Risk that could be encountered. Consult with the Government of Nunavut and refer to the Species at Risk registry at www.sararegistry.gc.ca for information on specific species.
- If Species at Risk are encountered, the primary mitigation measure should be avoidance. The proponent should avoid contact with or disturbance to each species.

- The proponent should consult with the Government of the Nunavut and appropriate status reports, recovery strategies, action plans, and management plans to identify other appropriate mitigation measures to minimize effects to these species from the project.
- The proponent should record the locations and frequency of any observations of Species at Risk and note any actions taken to avoid contact or disturbance to the species.

Environmental Protection Operations (EPO) should be notified of changes in the proposed or permitted activities associated with this application.

Please do not hesitate to contact me at (867) 669-4744 or ron.bujold@ec.gc.ca with any questions or comments.

Yours truly,

Ron Bujold
Environmental Assessment Technician

cc: Carey Ogilvie (Head, Assessment & Monitoring, EPO)
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