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June 29, 2017

Mr. Karen Kharatyan  
Acting Manager of Licencing  
Nunavut Water Board  
PO Box 119  
Gjoa Haven, NU X0B 1J0

**Phase 2 Technical Meetings and Prehearing Conference (June 12-16, 2017)/ Water Licence No. 2AM HOP**

Dear Mr. Kharatyan;

On June 16, 2017 during the Technical Meetings and Prehearing Conference, Sonia Aredes, Technical Advisor to the Nunavut Water Board (the Board), provided some preliminary thoughts relating to water licencing for the Phase 2 Project. Specifically, Ms. Aredes suggested that the preliminary view of the Board staff is that should the Phase 2 Project proceed to the licencing phase, the Board would likely prefer to issue two Type A Water Licences relating to the Phase 2 Project - an amended 2AM-DOH1323 Type A Water Licence and a new Type A Water Licence for Phase 2.

While TMAC Resources Inc. (TMAC) provided some initial feedback during the meeting on this topic, it was the first time that TMAC had an opportunity to hear detailed feedback from NWB staff on proposed licencing strategies for Phase 2. As such, TMAC wishes to provide the following additional information for the Board's consideration.

While Phase 2 is being assessed as a separate project, as set out in the Draft Environmental Impact Statement (DEIS) Phase 2 includes a number of shared facilities with the Doris site. TMAC anticipates that the Doris site and Phase 2 reclamation and closure plans and strategy will be fully integrated. As a result, it would be much simpler from an administrative as well as a technical perspective to post and administer a single reclamation bond under one Type A Water Licence (and related KIA land tenures) rather than divide the reclamation obligation between two water licences using potentially artificial criteria.

Further, multiple licences will inevitably create a larger administrative burden, with no corresponding environmental or water benefit. As an example, there would be little benefit to the public to producing and reviewing two annual reports. TMAC anticipates that it would also be simpler from an administrative perspective for inspections to proceed under a single Type A Water Licence rather than two.

Neither the *Nunavut Waters and Nunavut Surface Rights* nor the Nunavut Waters Regulations require multiple, potentially overlapping water licences in this scenario. There are multiple

examples of precedents in Nunavut where a single water licence was issued in respect to a project which crosses multiple watersheds (see for example 2AM-MRY1325, issued in respect of the Mary River Project) with greater distances separating sites of water use and discharges.

Further, TMAC notes that mining at Madrid and Boston introduces only one discharge to a freshwater body and that this discharge to Aimaokatalok Lake will be regulated under the Metal Mining Effluent Regulations. Terms in the existing 2AM-DOH1323 Type A Water Licence can be amended to support all construction, waste management and operational, closure and security bonding activities proposed under Phase 2.

While TMAC appreciates the feedback provided during the Technical Meeting and Prehearing Conference, based on the information provided to date it continues to be TMAC's view that it would be most appropriate to ultimately issue one amended Type A Water Licence applicable for the Doris, Madrid and Boston sites.

TMAC thanks the Board in advance for its consideration of these suggestions.

Sincerely,



Oliver Curran  
Director, Environmental Affairs

cc. (electronic)

Ryan Barry, NIRB  
Stephanie Autut, NWB  
John Roesch, KIA  
Karen Costello, INAC  
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