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June 15, 2015

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Updates to Application for Doris North Mine Modifications and Related Amendments to Project Certificate No. 003 and Type A Water Licence No. 2AM-DOH1323

Dear Mr. Barry and Mr. Hohnstein,

Per our correspondence of May 31, 2015, TMAC Resources Inc. (TMAC) is pleased to provide the enclosed materials, which reflect revisions to the proposed Doris North Mine (Project) modifications and related amendments to Project Certificate No. 003 (Project Certificate) and Type A Water Licence No. 2AM-DOH1323 (Water Licence) (collectively, the Amendment Application).

As TMAC wishes to proceed with some of the proposed Project modifications as early as <u>June 2016</u>, TMAC requests that the Nunavut Impact Review Board (NIRB) and Nunavut Water Board (NWB) formally recommence the Project Certificate reconsideration and Water Licence amendment processes as soon as possible.

Summary of Project Changes

Overall, the Amendment Application remains consistent with the materials that were originally submitted to the NIRB and NWB in November 2013. However, in order to limit potential for confusion, TMAC has enclosed a complete updated Amendment Application which is intended to replace the Amendment Application filed in November 2013.

The Amendment Application changes were identified following the completion of a detailed technical review by TMAC which identified further opportunities to optimize the mine footprint and enhance responsible environmental management. As previously, all activities and facilities included in the Amendment Application are necessary to support the Project and are not a "prebuild" of the stand-alone Phase 2 and the bulk sample proposals currently on file with NIRB.

The Amendment Application still includes mining of the entire Doris Deposit through the Doris portal, expected mine life of up to 6 years, increases of mining rate and mill throughput rate to up to 2,000 tpd, expanded and revised laydown areas, cyanide destruction of tailings to 0.5 mg/L, ability to overwinter fuel barges as contingency, effluent discharge to Roberts Bay rather than to Doris Creek, and removal of the requirement to maintain a certified laboratory on site. The primary material changes to the Amendment Application are:

- A change from subaqueous tailings disposal to subaerial tailings disposition and backfill underground, in order to ensure there is sufficient capacity within the tailings impoundment area.
- A reduced camp size of 280 people (from the proposed initial camp size of 360 people).
- Use of Quarry 3 for land filling non-hazardous waste once Quarry 3 is exploited.
- While the Application always contemplated management of saline talik/ groundwater, the anticipated volume and timing of this management has been revised based on updated modelling.
- As a result of a mill process change (Merrill-Crowe to resin and leach) TMAC no longer anticipates that water treatment will be required before discharge to Roberts Bay (minimal treatment for solids may be required prior to discharge).
- Water for Doris Camp use will be trucked from Windy Lake, rather than via pipeline as previously proposed.
- Accommodation barges are no longer likely to be necessary in future and have been removed.

TMAC's professional technical advisors have updated their reports as necessary to consider the potential effect of these changes, and these materials have been provided in the updated Amendment Application (including an updated closure and reclamation estimate).

Summary of Amendment Application Process

As you are aware, the NIRB and NWB have already undertaken the following procedural steps in relation to the Amendment Application:

- NIRB determination under Article 12, Part 8, Section 12.8.2(b) that it is appropriate and advisable for the Board to reconsider the terms and conditions of the Doris North Project Certificate (February 3, 2014);
- Information Requests (IRs) by interested parties were submitted to the NIRB and NWB by March 10, 2014;
- On April 22, 2014 NIRB and NWB received TMAC's response to all IRs received from parties and TMAC provided notice that additional amendment activities would be submitted for consideration.
- On April 30, 2014, the NIRB suspended technical review until all information on the proposed modifications could be provided to NIRB and NWB.

Our understanding is that NIRB and NWB are supportive of a coordinated process, and we appreciate the coordination efforts to date as well as the policy material that has been provided to us on that topic.

We wish to continue to engage with NIRB and NWB in order to consider whether there are any additional steps that can be taken to ensure the process proceeds efficiently and in a timely manner which also meets the requirements of the *Nunavut Land Claim Agreement* and *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. Given the nature of the proposed changes (which primarily impact the Water Licence), we believe this Amendment Application is ideally suited to a joint process including joint comment periods, technical meetings and/or public hearings, to the extent this is possible.

Conclusion

As set out in the Amendment Application, TMAC continues to be of the view that the Project will not cause any significant adverse environmental or socio-economic effects, and that any predicted Project effects can be offset through mitigation measures and best management practices. We also continue to be of the view that the Project can proceed in a manner which is protective of Nunavut water resources and in compliance with all applicable legislation.

As noted above, TMAC requests the NIRB and NWB's earliest attention to the enclosed materials. Thank you for your continued consideration of our Amendment Application. If you need any further information, please do not hesitate to contact me.

Regards

M John Roberts

Vice President, Environmental Affairs