

EXCERPT FROM:

2014 2AM-DOH1323 Type A Water Licence Annual Report Supplemental Document

Doris North Project

Nunavut Water Board

Prepared by TMAC Resources Inc. Toronto, ON

Prepared for Nunavut Water Board Gjoa Haven, NU

March 2015

9. A list and description of all unauthorized discharges including volumes, spill report line identification number and summaries of follow-up action taken [See Schedule B, Item 9]

Date of Spill: January 8, 2014

Spill No: 14-009

Date of Notification to an Inspector: January 9, 2014

Product Spilled: Greywater

Details of Spill: A leak of an estimated 250L of greywater was detected beneath Doris Camp Kitchen (kitchen sink, steamer, dishwasher) from cracks in the PVC piping. The root cause was attributed to pipe expansion and contraction from freezing and/or possibly camp settlement. The spilled greywater was removed by heating the ice around the pipes and the electrical cables in the affected area and allowing the melted grey water to drip into buckets. The bulk of the ice removal was performed by chipping it away, placing it into buckets, and placing it in the Waste Water Treatment Plant for processing. Pipe repairs were effected, the area was reinsulated and a system of periodic checks beneath the camp instituted to prevent further occurrences.

Date of Spill: May 31, 2014

Spill No: 14-187

Date of Notification to an Inspector: June 1, 2014

Product Spilled: Turbid Meltwater Runoff

Details of Spill: Approximately 10m³ of meltwater was pumped out onto the tundra adjacent to Sump #1. Sump #1, designed to catch runoff water, was plugged with ice and the automated pumping system was not operating. In order to commission the automated system approximately 10m³ of turbid water was pumped out on the tundra to allow for connections to be made on the automated pump system. This water should have been hauled with the vacuum truck to the TIA rather than being discharged to the environment. Pumping was ceased shortly after initiation and water management procedures were reviewed with the contractor.

Date of Spill: October 8, 2014

Spill No: 14-363

Date of Notification to an Inspector: October 9, 2014

Product Spilled: High Conductivity Water

Details of Spill: A sinkhole developed beneath a drill operating on Doris Camp Pad G. Drilling was halted due to concerns of ground stability issues of the camp pad and the drill was removed from this location. Conductivity measurements in surface water flow indicate that brine water may have migrated south from the drill hole under Doris Road and onto the surrounding tundra near Sump #1. The volume released in unknown. Water was pumped from the drill hole and Sump #1 and routed to the water management system. A snow berm was constructed between Sump #1 and Doris Lake to capture spring meltwater and monitoring of surface flow in the area will determine if further water management is required.

18. A summary of actions taken to address concerns or deficiencies listed in the inspection reports and/or compliance reports filed by an Inspector [See Schedule B, Item 18]

The AANDC Inspector visited site April 22-23, 2014, accompanied by two additional AANDC personnel. Action items resulting from the visit included: 1) demonstrating methods that would be employed to minimize water from drilling, and 2) clarification that drilling is authorized under the 2AM-DOH1323 Type A Licence. Item 1 was responded to April 28, 2014 with a description of the water storage tank/closed-loop recirculation system that would be employed on the drills to minimize freshwater use, and on May 29, 2014 TMAC received a confirmation from the NWB that exploration drilling is authorized within the scope of the 2AM-DOH1323 licence as an activity integrally associated with the mining and milling undertaking (Item 2). To date, water minimization using the closed-loop methods proposed at the drills has been highly successful.

The inspection report also detailed a non-compliance of Act or Licence re: Part I: Item 3 of 2AM-DOH1323, "The Licencee shall provide adequate secondary containment". Three action items were provided with respect to 3) maintaining fuel berms free of snow, 4) keeping fuel lines, nozzles and valves within secondary containment, or over drip trays and ensuring all fuelling activities occur over drip trays, and 5) keeping hazardous waste at the waste management area in secondary containment. With respect to item 3, the fuel berms are routinely maintained snow-free to the extent practicable, and this is an on-going task over the winter season. With respect to item 4, while small fuel storage tanks were found to be in containment, there were occurrences where lines or nozzles were not, for instance between a fly tank fuel source and an exploration drill. A program was commenced to provide spill control for these lines using a secondary, larger diameter hose as containment, and nozzles and other fueling apparatus were mounted or maintained over spill or containment trays. One partially full fuel drum was noted outside of containment (item 5) at the waste management area, and this was rectified immediately.

Item 6 noted in the inspection report pertained to the Patch Laydown Cuttings Sump and providing a management and mitigation plan for the area. This Patch Lake laydown is regulated under the Hope Bay Regional Exploration Licence 2BE-HOP1222, and a mitigation plan was provided to AANDC under that licence on May 29, 2014.

General comments pertaining to the visit included were that the site remains clean and well-organized, and that waste segregation practices are excellent.

During a second site inspection July 17, 2014, no non-compliances were noted. Two action items were included: 1) to provide updated water records to the inspector from May – July reflecting any water used from sources other than Windy or Doris Lakes, and 2) to maintain a spill log at site with coordinates to facilitate future inspections. All water records are up to date and included in the monthly SNP reporting and summarized in this annual report, and the spill log at site maintains the coordinates of any spills.

