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December 21, 2015

Stephanie Autut, Executive Director Nunavut Water Board (NWB) P.O. Box 119 Gjoa Haven, NU X0B 1J0 (867) 360-6338

Re. TMAC Resources Inc.'s Revisions to Amendment Application No. 1 of Project Certificate No. 003 and Water Licence No. 2AM-DOH1323: Proponent's Response to NWB Technical Comments

Dear Ms. Autut;

Thank you for the opportunity to provide TMAC Resources Inc.'s (TMAC) response to the technical comments received from the Nunavut Water Board (NWB) on December 8, 2015.

A. Background Summary

As noted by the Kitikmeot Inuit Association (KIA) in its technical comment submission, on March 30, 2015, the KIA and TMAC entered into a comprehensive Framework Agreement for the development of the Hope Bay Greenstone Belt. On that date, KIA and TMAC entered into an amended and restated Inuit Impact and Benefit Agreement (IIBA) which fulfils the requirements of Article 26 of the *Nunavut Land Claim Agreement* and is applicable to the Doris Mine. The Framework Agreement and IIBA establish environmental and socioeconomic effects reporting and consultation processes in addition to the Nunavut Impact Review Board (NIRB) NIRB and NWB regulatory processes.

On June 15, 2015, TMAC submitted an application to amend Project Certificate [No. 003] issued by the NIRB and Water Licence (No. 2AM-DOH1323) issued by the NWB in relation to the Doris Mine (the Project; the Amendment Application). This Amendment Application reflects proposed changes to the Project, including:

- an increase in the life of the mine from 2 years to 6 years;
- mining of the entire Doris deposit, including Doris Central and Doris Connector;
- an improved water management strategy, discharging saline groundwater encountered during mining directly to Roberts Bay, and discharging from the Tailings Impoundment Area (TIA) to Roberts Bay rather than the freshwater environment of Doris Creek; and
- a change to the tailings deposition strategy from sub-aqueous to sub-aerial within the existing TIA.

Following issuance of joint correspondence with NIRB on November 4, 2015, the NWB confirmed on November 5, 2015 its expectation that the parties would complete a thorough technical assessment of the Type A Water Licence amendment application and provide their technical review comments to the NWB on or before December 7, 2015. Comment submissions received were then posted to the NWB public registry for review and response. This letter and associated documentation provides TMAC's response to all written technical comments.

On or before December 8, 2015, TMAC received a total of 63 technical comments via the NWB from:

- Fisheries and Oceans Canada (DFO);
- Kitikmeot Inuit Association (KIA);
- Environment and Climate Change Canada (EC); and
- Indigenous and Northern Development Canada (AANDC).

B. Overview of TMAC Response to NWB Technical Comments

Generally, the technical comments addressed the following broad topics:

- site-wide water and load balance input parameters;
- management of groundwater inflows;
- tailings management;
- marine water quality objectives in Roberts Bay;
- Doris Lake water levels;
- Fisheries Act regulatory requirements;
- potential for future development in the Hope Bay Belt;
- recognition of the Comprehensive Framework Agreement with KIA.

TMAC's responses are organized by the assigned Technical Comment ID#, referenced according to the submission by the interested party (i.e., Technical Comment Source – EC, KIA, DFO, and AANDC). Figures and supporting documents associated with a TMAC response are referenced by the Technical Comment ID# for convenience and appended to the end of the package. Please note that **AANDC 1 to AANDC 10** and **AANDC 12** indicated that TMAC's response to previous Information Requests satisfied the inquiry, and so TMAC has not provided any additional information on these points in this submission.

C. Next Steps

In parallel with the NWB process, TMAC understands that interested parties are also directed to submit technical review comments to the NIRB on or before January 8, 2016. Following this, the NIRB and the NWB technical meetings have been scheduled for the week of January 26, 2016 in Cambridge Bay.

TMAC appreciates the participation by the interested parties in the process to date, including the specific input that they have provided to the NWB. In particular, TMAC would like to acknowledge the KIA's comment in its December 4, 2015 technical review submission that, given the processes established under the Framework Agreement and the IIBA, "...KIA believes that all remaining technical issues identified can be successfully resolved through continued cooperation between KIA and TMAC Resources Inc. at the technical hearing and on an ongoing basis". TMAC agrees and we look forward to continuing our discussion with a view to resolving these important matters at the upcoming technical meeting in Cambridge Bay.

Regards,

M John Roberts

Vice President, Environmental Affairs

Encl.

cc: Ryan Barry, Nunavut Impact Review Board