



Fisheries and Oceans Canada  
Pêches et Océans Canada

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*By Manager of Licensing at 10:43 am, Nov 10, 2011*

*Your file Votre référence*  
2AM-JER0410

*Our file Notre référence*  
NU-00-0068

November 3, 2011

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
PO Box 119  
Gjoa Haven NU, X0B 1J0

Dear Ms. Beaulieu:

**Subject: DFO Final Comments, - Type A Water Licence Renewal for the Jericho Diamond Mine,**

Fisheries and Oceans Canada (DFO) received the application to extend the water licence for the Jericho Diamond Mine on February 4, 2011 from the Nunavut Water Board (NWB). The proponent, Shear Diamonds (Nunavut) Corp. (Shear) is requesting a renewal of the water license that has currently been extended until March 1, 2012. After reviewing the water licence application, the supporting documentation and the information presented from the Technical Meeting and the Pre-Hearing Conference that occurred on June 20 and 21, 2011 respectively, DFO respectfully submits the following comments to the NWB. The purpose of these comments is to provide expert advice to the NWB as well as to inform the Board of DFO's regulatory role in relation to the water license renewal.

DFO is actively engaged in discussions with Shear to resolve issues related to the *Fisheries Act* authorization that was previously issued to Benachee Resources Inc. Shear has committed to developing plans and timelines to achieve the completion of the outstanding fish habitat compensation and monitoring for the Jericho mine project. DFO is confident that these discussions are progressing and resolution will occur in a timely manner.

DFO notes that several plans are still outstanding and will require completion should the project receive a renewed water licence. In particular, some plans will likely require updating to reflect a shift in the operations occurring at the project site, i.e. resuming productions. DFO would recommend to the NWB that those plans that will require updating for an operational mine be circulated to interested parties for review prior to NWB approval. These activities would be reviewed by DFO under the habitat provision of the *Fisheries Act*. DFO is specifically interested in activities such as culvert installations or replacements as well as any modifications or construction activities that have potential to impact fish or fish habitat.

If you have any questions concerning the above or would like to discuss in greater detail please contact me directly by telephone at (403) 292-8675 by email at Robert.Bedingfield@dfo-mpo.gc.ca

Sincerely,



Bobby Bedingfield  
Fish Habitat Biologist  
Eastern Arctic Area, Iqaluit Office

cc.     Derrick Moggy, DFO Eastern Arctic  
         Stephanie Autut, Shear Diamonds Ltd.  
         Pamela Strand, Shear Diamonds Ltd.  
         Amanda Hanson, Nunavut Impact Review Board