Ekati mine.

The waste-rock overburden ore in stockpiles. This cover for the waste dump, for rock overburden, the ore stockpile, collection ponds A, B and C, for temporary effluent water containment areas, various discharge pipeline and ditches, Stream C1 diversion and the mine pit area.

We have reviewed the foundation of the areas where the waste-rock dumps and stockpiles will be located. They are mostly on shallow bedrock and will work with appropriate designs, such as granular rockfill pads, impermeable burial for the recovery plant rejects. There would not be any stability and seepage problem.

We have also viewed the various design and background information on the discharge pipeline into any of the drainage ditches, collecting ponds and efficient structures in the area. Stability analysis has been carried out, and the slopes of the structures generally will be built following common engineering practice.

The mine pit will be excavated into the overburden and continue in the bedrock with excavation slopes will be frozen most of the time, reducing any concern on stability and seepage.

An important issue for this mine area is

related to the actual performance and water quality coming from these structures. Additional studies and monitoring as the mine activities progress will be important to ensure that effluent water quality from this area is adequately addressed. If not, contingency plans or remedial measure might need to be implemented.

In general, the second -- the next one will be the abandonment and the restoration plan. In general, they are in -- our plan has addressed all of the major issues which Tahera has currently anticipated at the end of the mining operation. The plan will need to be reviewed and revised and updated during operation of the mine to effect changes and problems at hand.

A few comments that we will need for the consideration for the plan will include the cover thickness and materials for the PKCA, waste rock and waste-dump stockpiles.

The cover thickness requirements will need to be reviewed, subject to the water quality which come out of this area, and adjustment to be made as required. Cover materials will need further study, their durability, the sizes, their properties might need to be further examined prior to the mine closure.

The second thing is about the global warming where more discussion should be included on global warming issues, particularly as the mine will be returned to their natural environment and will stay that way for a long time after the mine operation ceased.

Reclamation costs. A cursory review of the reclamation cost indicates that the value appears to be on the wide order of magnitude. It should be clear that these costs is based on condition which is anticipated now, which is preliminary. This may change and may need to be reflected in the revised plan closer to the end of the mine operation. We feel that the present stage of contingency should be higher to reflect some incident and variation of designs and operational plans that Tahera has. But this still need be finalized.

I don't think this number actually went to change the final quantity considerably. The plan appears to be complete and provides the basic activities for mine closure, progressive reclamation which Tahera promised must, however, be stipulated as a condition for the water license, and its implementation is crucial for the plan.

Now I am handing over our presentation to Dr. Bryan Leece.

BRYAN LEECE: Good morning, Mr. Chairman. Bryan Leece from Dillon Consulting.

We were asked on behalf of the Nunavut Water Board to take a look at the submissions from Tahera to determine what level of predevelopment monitoring data was actually included in the presubmission documents.

And if we spend just a minute or two just sort of talking about why this is important and why you need to get a good handle on what predevelopment, or what we call background considerations are. You need to know what conditions are before you start so you can determine what level of impact an operation has actually had on the local environment. If you don't know that before you start, it is much harder to determine what impact the site has had after operations have begun.

The primary use of background information is towards closure and rec development -- closure and reclamation plan. And in order to determine what level of impact the facility has had, you need to know what levels you started with. So if you are looking at the concentrations of nickel and you see -- if you don't know what the concentrations of nickel are before you start, you can't really

determine if the facility has had an impact and increased the levels of nickel. Nickel, as an example, not to suggest that nickel is an issue in this one.

It is also used when it comes time to set clean-up targets at the time of closure. If you have got concentrations that are above CCME guidelines and you need to determine whether or not there is an effect, you develop what are called site-specific target limits. And in doing that, you need to make sure that the limits that you set aren't actually numbers that are lower than local backgrounds. So you are not asking a proponent to clean a site up to levels that are much cleaner than it was before anybody was ever there and did anything. Is important to have those at that start of the program so you don't -- you aren't left in a position about arguing on what effect the facility has had.

Based on the review that we have done, certainly that we can find, anyway, there certainly doesn't appear to be any information on background metal concentrations in the surface soils in the area of the Jericho project.

It is our understanding from discussions with the proponent that, in fact, a sampling program is

expected to happen in the next year to give us some idea what the background concentrations are in the surface soil. We haven't had an opportunity to review that sampling plan yet, so we can't really comment on the adequacy of it.

It shouldn't -- the lack of that plan really shouldn't be viewed as something that's going to delay acceptance of the license or issuance of the license. That is something that can be sorted out fairly quickly over the next few months before any sampling would occur.

And I think at this point I will pass the mike over to Bruce Bennett.

BRUCE BENNETT: Thank you, Bryan, Mr. Chairman. Just the two main topics that I just wish to speak about are site-water management, followed by water quality.

In terms of site-water management, and just to recap some of the information that you have heard, and I'm sure it has been better presented than what I am about to discuss is that Tahera, proposing to manage the runoff and the seepage from the various waste dumps and the process areas, they will be collecting and directing the runoff to an open pit by a series of ditches and sumps. This will be discharged to the environment if

acceptable, meeting aquatic thresholds. Otherwise it will be pumped to the PKCA for treatment prior to release to the environment.

And, also, as a contingency, the site water management plan provides for the provision of the construction of three separate collection ponds, A, B and C. These ponds would provide additional attenuating water storage and/or water quality monitoring prior to discharge to the environment, if that takes place.

The one comment I just wanted to make, as far as on a water quantity side, is that we feel that the overall plan, including the location, size and the various water-management facilities, meaning the containment area, diversion ditches, et cetera, it is consistent with standard hydrologic engineering methods. And we consider it to be an adequate approach to the management of the quantity of the runoff that's being generated at the site, or will be generated at the site, while minimizing the potential of adverse surface water impacts to the environment.

In terms of water quality, Tahera has provided both best estimate and upper bound, meaning 90th percentile concentrations of the contaminants from the waste rock, overburden,

kimberlite ore and low-grade ore, and the coarse processed kimberlite. The methods that they used we feel were appropriate, and they are well described, as per technical memorandum I, estimates of source concentrations.

One of the key assumptions that I just wanted to point out was that the soluble contaminants are immediately available and removed from those sources via its infiltration and runoff and that they would persist through the operational period of the mine.

As Tahera pointed out, the -- any buildup over time would be minimal due to the low concentrations of sulphide minerals in the sources, and thus the negligible potential for acid generation. And also the inability of the waste or the ore sources to continue contributing to the soluble contaminants due the freezeback, and that's a point that I think is there. It has not been belabored, and certainly it was ignored for the purposes of the predictions, and that's a good thing in terms of when you are looking for worst-case conditions. But, in actuality, freezeback will tend to serve to lock up the contaminants over time.

The base-case information that was presented

by Peter McCreath, I just wanted to emphasize that they were conservatively made and that they assume that the waste-rock dumps and the ore stockpiles would be fully in place starting in year one. In actuality, the effluent would normally be expected to kind of gradually increase over time as the stockpiles and the ores build up, notwithstanding my comment made about freeze back.

So, therefore, if the effluent quality approaches the proposed discharge limits, this outcome really isn't going to take place until the latter operational period of the mine life. And, in fact, in the early stages of the mine, you are going to be looking at far lower concentrations. And I will get back to this point in a minute.

One concern that we had, and I don't think it was intentionally written this way, but it has been pointed out that there is about two years worth of storage in the containment facility. It read in the document as if it were perhaps only available at the beginning of the operational period of the life, and that's been corrected through our technical discussions, and they pointed out that it is actually available at any time.

My concern initially was that if it wasn't available at the end, and the effluent quality

started to approach your discharge limits, then, in fact, you might not have that storage capacity while contingency measures, which were proposed, could be implemented. So I was pleased to hear that storage capacity is there at any time, and particularly towards the latter part of the operational period of the mine.

They also, as a contingency plan, provided a description, if treatment were required, they have provided it for ammonia in a memorandum dated October 12th, and for metals, in a memorandum dated October 22. And, again, we are pleased to see that those contingency plans are in place.

The proposed discharge limits were on the bases of a ten times dilution factor, and so that the release of the effluent from the PKCA would be less than the aquatic thresholds that they have proposed at the boundary of the 200-metre mixing zone. They did provide rationale for lowering the ten times dilution values for TDS, chloride and zinc, and increasing the values for aluminum and uranium.

They have committed to some acute toxicity testing, and it is certainly the no net loss plan is in place. So on that basis and with the contingency plans, we are satisfied with the

aquatic thresholds and the proposed discharge limits that are proposed. I do have one qualifier to that, which I will make just at the end.

In terms of monitoring, and this is a discussion that came up during the teleconference meeting that we had, we did express a comment that perhaps some baseline monitoring would be appropriate outside the watershed area to the east and the southeast. We still feel that it is important. It is unlikely that effluent from the mine area would go in that direction, nevertheless we feel that -- and this kind of touches on what Bryan has told you on the baseline information. We do feel it is important to collect it initially before the project starts.

In summary, we feel that the technical documents in the addendum that's been provided provides a very comprehensive plan for the mining project. It builds on the previous environmental impact statements that have been previously submitted, and that we feel that overall they are well-written documents, they are technically sound, and that it shows a commitment to the mining project while still minimizing a disturbance to the environment while maximizing social and economic benefits to the people of Nunavut.

We feel that the license should be granted, obviously subject to a lot of conditions. As you have heard in previous testimony, there is a lot of studies to be carried out, a lot of plans that are to be put into place. There is design work that is still required. There is the adoption, the formal adoption of the discharge limits and the thresholds that you have to make, the adoption of the no net loss plan and the implementation of the various water quality monitoring programs.

That's my comments, Mr. Chairman, and I'm sure all three of us would be pleased to answer any questions that may come up.

CHAIRMAN: Thank you very much. Are there any questions from DIAND? Pardon me, I am a bit ahead of myself here. Are there any questions from the applicant? I got a little ahead of myself here.

GREG MISSAL: Mr. Chairman, I'm not asking for an adjournment, but if I could just have 30 seconds just to check with my consultants, then we don't need to take a break. Just 30 seconds, please.

RAMLI HALIM: Mr. Chairman? Mr. Chairman, Ramli Halim with Acres International.

One of our member team, Mr. Bennett, would

like to try to catch a plane, reasons because he has another commitment with an environmental board in Ontario tomorrow, so I guess probably if there is a question that can be related into the water quality hydrological aspect first that probably he can answer so that he can probably catch a plane. And I will, myself and Bryan, will be able to answer the other issues related to the geotechnical and the human health and ecological issue.

Thank you, Mr. Chairman.

LICENSEE QUESTIONS INDEPENDENT CONSULTANTS:

GREG MISSAL: Thank you, Mr. Chair, Greg Missal with Tahera. We have no questions, but I think we have one point that is a clarification on I think something we saw in the presentation. So if you don't mind, we would just like to very quickly clarify our position on that, and then we can move on to the next questioner.

Q BRUCE OTT: Bruce Ott with AMEC. Are you aware that baseline monitoring has been done on those lakes you referred to, Key, Ash and Lynne Lake, both for water quality and sediments? And if so, do you consider the baseline water quality data that was collected adequate?

I should also indicate that there was some biological monitoring done in that system as well.

A BRUCE BENNETT: Bruce Bennett from Acres. No, I was not aware of that. It was my understanding it, perhaps, hadn't been done, as per the teleconference. But if it has, that's welcomed news, and we are very appreciative of that fact, and we think it is in the overall interest of the project.

BRUCE OTT: Thank you, Mr. Chair. I personally have no further questions.

GREG MISSAL: No more questions, Mr. Chair. Thank you.

CHAIRMAN: DIAND, are there water-related questions?

GLEN STEPHENS: Mr. Chairperson, Glen Stephens. No, we don't have any questions. Thank you.

CHAIRMAN: Thank you. Environment Canada?

ANNE WILSON: No questions.

CHAIRMAN: DFO?

DERRIK MOGGY: No questions, Mr. Chairman.

CHAIRMAN: NTI and KIA?

JOHN DONIHEE: No questions.

CHAIRMAN: Thank you. Hamlet of Kugluktuk? That's it. Are there any questions

from the floor?

BILL TILLEMAN: I guess not.

CHAIRMAN: Are there any questions from the floor? Dionne?

WATER BOARD STAFF QUESTION INDEPENDENT CONSULTANTS:

Q DIONNE FILIATRAULT: Actually, thank you, Mr. Chairman. It is more of a point of clarification. At one point you referred -- regarding the site hydrology and the hydrogeology issues, you made reference to a couple of memos, I think they were October 12th and October 22nd. And I just want to confirm that they have been provided to the Board and are on the public registry if we need to make reference to them.

A BRUCE BENNETT: Bruce Bennett from Acres. The two memos that I was referring to in terms of effluent treatment as a contingency measure were an AMEC memorandum entitled "Review of Ammonia Treatment Alternatives" for the mine effluent at Jericho that was dated October 12th, 2004. And the other memo that I was referring to was, again, an AMEC memorandum entitled "Review of Treatment Alternatives for Metals in Mine Effluent at Jericho", and it was dated October 22nd, 2004.

Q DIONNE FILIATRAULT: Thank you, Mr. Chair. One final question is in the operational

monitoring, you suggest to do the monitoring east and southeast of the mining area, I'm just wondering what your thoughts are on monitoring west, south and southwest of the PKCA?

A BRUCE BENNETT: Bruce Bennett from Acres. I just want to be clear, Dionne, when you say this is additional monitoring beyond what is being proposed south and southwest? I guess how far, because the monitoring that, as I understand it, would be on Stream C3, Lake C3, are you, in fact, referring to further out again?

Q DIONNE FILIATRAULT: Past the control lake and possibly south of the control lake.

A BRUCE BENNETT: Bruce Bennett from Acres. I feel the surveillance program that they have put into place, I think it is a pretty appropriate program. Personal, myself, I don't think it would be necessary to go that far out, apart from perhaps some background information. But I don't think it would be necessary for ongoing monitoring.

DIONNE FILIATRAULT: Thank you, Mr. Chair. I have no further questions. One question from Steve.

Q STEPHEN LINES: Thank you, Mr. Chair, one quick question. This is for Ramli. In your

assessment, did you assess the north dam as a contingency measure or as part of the actual plan?

A RAMLI HALIM: It is my understanding -- Mr. Chairman, Ramli Halim with Acres International. The information that we obtained from Tahera at the time we evaluated this, the north dam is going to actually be built, but initially there would be no access road, and it became part of the north dam. So I think that's the information that we have at this time. It is still available. It was mentioned as a water-retraining structure, although I have some thought myself that this is a very low structure, but Tahera made a commitment that it is going to be a water-retaining structures with an added security using geosynthetic composite liner or GCL.

STEPHEN LINES: Thank you.

CHAIRMAN: Any further questions, staff? No. Thank you. Are there any questions from the floor to be addressed to -- community members, are there any questions from the community members to be addressed to the independent consultants? If not, thank you very much there, gentlemen, for your presentation.

BRUCE BENNETT: Thank you, Mr. Chair.

CHAIRMAN: There has been a

suggestion here that we take a 15-minute break and carry right on. Does anybody really need to have lunch? That's the question, but we will take a 15-minute break and just carry right on. Thanks.

(BRIEF ADJOURNMENT)

CHAIRMAN: Okay. Welcome back. I have been informed by local residents, Millie, who wish to say a few words.

MILLIE: Good morning. I would just like to share some comments that were made by the late Sam Kiukpuk (phonetic) who perished a week after he made his last public statement. And I think that now is the time to share his words for the benefit of Kugluktukmiiut and having -- being a community observer at these last two days, I left here yesterday with Sam on my mind and his words, so I would just like to share those.

And I would like to address it to everyone here, Tahera, the Water Board, KIA, NTI, and all of those interested parties that have to do with water monitoring in Nunavut, and especially for Kugluktuk.

A week before Sam perished, the Nunavut Wildlife Management Board sat at the same table where you are at, and this audience was full, much more full than what it is today. Sam stood up at

the microphone, and he addressed three issues. Number one, we must look after, monitor and protect the caribou. The second is to monitor and protect the fish, for those are the two main diets that our generation and our ancestors have eaten. And he addressed in his words that in the past or in the future, our grandchildren and great-grandchildren will continue to have caribou and fish as their main diet. But first and foremost, which is the third point, it is to protect the water, because without the water, we cannot have healthy caribou, we cannot have healthy fish, and we cannot have healthy people.

But he also addressed in speaking that we must continue to develop, so we can't say no to industry. But we must protect those three, the caribou, the fish and, first and foremost, protect the water that we eat and drink off of, that provides the life for the people here in Nunavut, as well as for our food that we eat.

I think that it was important for me to share that for Sam, and may he rest in peace, and may his family have a merry Christmas. Thank you.

CHAIRMAN: Thank you very much there, Millie, for your powerful statement on behalf of Sam.

I do believe legal counsel had a comment to make.

BILL TILLEMAN: Thank you, Mr. Chairman. Just before we go to closing, in terms of exhibits, I want to make sure the record is complete. One such thing was the cost estimate from Mr. Donihee on behalf of the KIA. The Board has now received that, and we will mark it.

Another thing were a couple of responses and/or documents from Tahera, and that included their response from yesterday, and that I understand will be forthcoming in their closing and a list of plans and time lines and so on. And once again I believe and can inform the Board that that will become an exhibit, and we will get it here at the end of the day.

(EXHIBIT TO BE MARKED WHEN RECEIVED)

BILL TILLEMAN: And if I am missing any other exhibits, could anyone inform me now in the audience. I don't see any hands being raised. Anne Wilson did have one other thing, I am sorry, from Environment Canada that she will bring up in her closing. But apart from that, Mr. Chairman, I think our record is complete and we can move into closings.

EXHIBIT NO. 18:

KIA SECURITY ESTIMATE INFORMATION

VICE-CHAIRMAN: Mr. Chairman, if I could, are you talking about there was number 15 was a hard copy of the water policy by NTI, 16 was a nitrate report from Tahera, 17 was the electronic copy from Acres and Dillon, 18 was the hard copies from Acres and Dillon. And now I think 19 is the cost estimates from KIA, that's as far as I got, Mr. Tilleman. Are there any other ones that I don't have, that's number 19?

BILL TILLEMAN: I think we are complete, Mr. Vice-chair.

CHAIRMAN: Thank you, Mr. Tilleman. At this time I invite the intervenors and anyone who made a presentation to the Water Board to make their final closing remarks, if they wish to, in the same order of presentations. Tahera will be given the opportunity to make final closing statements.

Again, please restrict your closing remarks to the matters under consideration, and I will ask that you keep them to three to five minutes each. Beginning with DIAND, followed by Environment Canada, DFO, NTI and KIA, Hamlet of Kugluktuk. Independent consultants have already left, because they had a plane to catch. And finally the