

File No: NWB1-JER0306 2AM JER1119

December 4, 2013

By Email and Regular Mail

Norm Cavanagh
Legal Counsel, Justice Canada
Northern Region
2<sup>nd</sup> Floor, Nova Plaza
5019, 52<sup>nd</sup> Street
P.O. Box 2052
Yellowknife, NT X1A 2P5
Email: ncavanag@justice.gc.ca

Subject: Reconciliation of Security Held Under NWB Expired Type "B" Water Licence No.

NWB1-JER0306 and Security Under NWB Existing Type "A" Water Licence No.

2AM-JER1119

Dear Mr. Cavanagh:

This letter is in response to the recent inquiries from Aboriginal Affairs and Northern Development Canada (AANDC) regarding the status of the expired Type "B" Water Licence No. NWB1-JER0306, issued by the Nunavut Water Board (NWB or Board) on January 9, 2003 and, in particular, the requirement for security to be held under that Licence as follows under Part B, Item 4:

4. The Security Deposit shall be maintained until such time as the Board is satisfied that the Licensee has complied with all provisions of the approved Final Abandonment and Restoration Plan. This clause shall survive the expiry of this Licence or renewals thereof.

The Board has now reviewed the AANDC Inspector's report from August 1, 2012, in which Inspector, Eva Paul, visited the site associated with Licence No. NWB1-JER0306 (referenced in the report as the JD-03 site) and indicated that the site has been adequately reclaimed:

At the time of this writing, the report has been received, and I am satisfied that this site is adequately reclaimed and this file can now be closed. A report to the Nunavut Water Board will be submitted recommending closure of the license.<sup>1</sup>

<sup>1</sup> See Water Licence Inspection Report, for Water Licence 2AM-JER1119, dated August 1, 2012, site visit July 4th, 2012, p. 3, and available on-line:

 $\frac{ftp://nunavutwaterboard.org/1\%20PRUC/2\%20MINING\%20MILLING/2A/2AM\%20-\%20Mining/2AM-JER1119\%20Shear/3\%20TECH/0\%20SCOPE\%20ENFORCE\%20(A)/1\%20INSPECTION/2012/$ 



On this basis, the Board can confirm that the requirements of Part B, Item 4 that *all provisions of the approved Final Abandonment and Restoration Plan* have been met and therefore security is no longer required to be maintained under expired Licence NWB1-JER0306.

However, as it is the Board's understanding that the security currently held under Licence NWB1-JER0306 is expected to be transferred to secure the outstanding obligations of the Licensee under 2AM-JER1119, the Board directs that the security maintained under NWB1-JER0306 shall not be released until AANDC is satisfied that sufficient replacement security will be put into place under 2AM-JER1119.

Should you have any questions, comments and/or require any further information in respect of this matter, please advise me.

Sincerely,

Damien Côté

Nunavut Water Board, Executive Director

cc: Murray Ball, AANDC

André Gossignac, AANDC

NWB Public Registry