Nunavut Regional Office P.O. Box 100 Igaluit, NU, X0A 0H0

> Your file - Votre référence 09MN003 Our file - Notre référence 5510-5-25

February 10, 2009

Leslie Payette Manager of Environment Nunavut Impact Review Board P.O. Box 1360 Cambridge Bay, NU, X0B 0C0

Via electronic mail to: lpayette@nirb.ca

Re: Comments on the Part 4 Screening for AREVA's Kiggavik Project Proposal

Dear Ms. Payette,

Indian and Northern Affairs Canada (INAC) would like to thank the Nunavut Impact Review Board (NIRB) for the opportunity to provide comments on the Part 4 screening of AREVA Resources Canada's Kiggavik Project. As requested in NIRB's letter of January 20, 2009, INAC has reviewed AREVA's project proposal and applications and has prepared the following comments for NIRB's consideration.

Overall, INAC is of the view that the project, due to the nature and scale of proposed activities and components, may have the potential to cause significant adverse environmental impacts, significant adverse socio-economic effects on northerners as well as be a cause of significant public concern. INAC believes that the project warrants a review as per Section 12.4.2 of the Nunavut Land Claims Agreement.

After a preliminary assessment, INAC has identified several aspects of the proposal that merit an in-depth assessment, based on their potential for adverse effects. It is expected that these aspects also have the potential to cause significant public concern. They include the following:

- The effect of construction, operation, closure and post-closure activities relating to road crossings, including the potential bridge over the Thelon River, on surface water quality;
- The potential impacts of the proposed all-weather or winter road on the surrounding environment including water quality, ground stability and permafrost, vegetation, soil and wildlife;
- The potential for acid rock drainage (ARD), and subsequently the effectiveness
 of ARD containment and mitigation. This would include the potential for ARD to
 occur on exposed open pit mine surfaces (East, Center and Main Zones, and
 Andrew Lake) and temporary waste rock piles, potential all season road



construction materials, and ARD-related alteration of groundwater during underground mining (End Grid and potentially Andrew Lake) below permafrost;

- The anticipated impacts of potential dyke construction surrounding the Andrew Lake deposit, and the dewatering of a portion of Andrew Lake;
- The potential impacts of seepage from the subaqueous disposal of mill tailings at both the Center and Main Zone Tailings Management Facilities during operations and after closure on groundwater and surface water;
- The anticipated impacts of construction, operation, and closure activities on wildlife, vegetation, landforms and permafrost features in the project area;
- The potential impacts on surface water quality from water runoff of landfill sites at both the Kiggavik and Sissions sites;
- The impacts of potential accidents or malfunctions, on site as well as during transportation, especially of hazardous materials.
- The potential socio-economic impacts of all phases of the project on relevant communities, including those that may arise due to employment of large numbers of people and potential concerns with respect to health and safety, particularly relating to uranium.
- The potential for ongoing and incremental land use activities associated with this and other mining and transportation activity in the Kivalliq region to result in cumulative impacts.

INAC would also like to indicate it's support to NIRB in conducting an assessment for this project that will include meaningful public engagement and participation. Uranium-related projects have been the cause of particular public concern for public health and safety in the past. The regional land use plan in effect for the project area attests to this by requiring that "Any future proposal to mine uranium be approved by the people." (Section 3.6 of the Keewatin Regional Land Use Plan). In addition, INAC would like to bring NIRB's attention to the proponent's intention to transport yellowcake by air to locations outside the Nunavut Settlement Area. Although INAC does not believe this is a transboundary project component, INAC is not aware of any current or modern (last 15 years) Canadian usage of this method of transportation for large quantities of yellowcake.

INAC looks forward to continuing collaboration with NIRB and other parties in the assessment process for this Project. Should you have any questions or like any further clarification, please do not hesitate to contact Margaux Brisco at (867) 975-4567 by phone or at margaux.brisco@inac-ainc.gc.ca by email.

Sincerely,

[original signed by]

Robyn Abernethy-Gillis Manager of Environment Division

