NWB File No: 2AM-LUP0914/Renewal

July 8, 2014

Patrick Downey, President Lupin Mines Incorporated #1204 – 700 West Pender Street Vancouver, BC V6C 1G8

Email: pdowney@elginmining.com

klewis@elginmining.com

Re: Licence 2AM-LUP0914, Type "A"; Lupin Gold Mine Project - Notice of Application and

Commencement of Technical Review Period

Dear Mr. Downey:

Further to the Nunavut Water Board's (NWB or Board) May 16, 2014 correspondence¹ in which interested parties were invited to provide comments on completeness and initial technical assessment of the application and supporting documents (Application) submitted by Lupin Mines Incorporated (LMI or Applicant) for the renewal of Licence 2AM-LUP0914, issued to the Lupin Mine Project, the NWB has received submissions² from two intervening parties: Aboriginal Affairs and Northern Development Canada (AANDC) and Environment Canada (EC).

Copies of the comments received from intervening parties, submissions from the Applicant, and all documents associated with Application have been placed in the Board's Public Registry and made available through the NWB's FTP site using the following link (**Username:** public and **Password:** registry):

ftp://nunavutwaterboard.org/1%20PRUC%20PUBLIC%20REGISTRY/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-LUP0914%20LMI/

Based on the scope and nature of the undertaking, the NWB has deemed that the Application for renewal of Type "A" Licence 2AM-LUP0914 will require a public hearing as per applicable provisions of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA or Act). All public hearing matters will be carried out in accordance with the Board's *Rules of Practice and Procedure for Public Hearing*, dated 2005 (NWB Rules).

¹ Letter from P. Beaulieu, NWB, to P. Downey, Lupin Mines Incorporated, Re: Licence 2AM-LUP0914 – Renewal Application, Lupin Mines Incorporated, Lupin Gold Mine Project, May 16, 2014.

² Aboriginal Affairs and northern Development Canada (AANDC), June 9, 2014 and Environment Canada (EC), June 9, 2014.

The NWB has determined through the completeness and preliminary assessment, which took into consideration the Application, interveners' submissions, and the Board's initial review, that the Application submitted by Lupin Mines Incorporated generally constitutes an administratively and materially complete Application in accordance with the Guides³. The Board has therefore decided that the application can proceed to the next stage(s) of the licensing process, subject to any outstanding prelicensing considerations that may be associated with the Application. The NWB retains the rights, however, to request additional information and studies pursuant to s. 48(2) of the Act or to issue guidelines for the provision of information pursuant to s. 48(3) of the Act if it becomes necessary.

The Applicant should note that the nature of the IRs and comments submitted by the intervening parties during the completeness and preliminary assessment are of such that the Board concurs with the Applicant's approach to provide the relevant response(s) to interveners' submission during the second week of July 2014, as suggested in LMI's correspondence⁴.

In accordance with s.s. 55(1) of the Act, the Board gives notice of the Application and invites interested persons to make representation to the Board by no later than <u>August 14, 2014 (4:00 p.m., MST)</u>. Notice of the Application will also be forwarded to the council of each municipality in the area(s) most affected by the Application and shall be published in a newspaper of general circulation in the area(s) affected or, if there is no such newspaper, in such other manner as the Board considers appropriate. Parties are advised that the consequences of failure to respond are outlined in s. 59 and s.s. 60(2) of the Act. All submissions pertaining to this file should be provided to the NWB's Manager of Licensing by email to licensing@nwb-oen.ca.

By copy of this letter to the appropriate distribution list, interested parties or persons are requested to complete a <u>thorough technical assessment</u> of the Application for the renewal of Type "A" Water Licence 2AM-LUP0914, which is available from the NWB's ftp site referenced above or by directly contacting Patrick Downey or Karyn Lewis, Lupin Mines Incorporated, by email to <u>pdowney@elginmining.com</u> or <u>klewis@elginmining.com</u>, respectively.

Throughout the technical review phase, interested parties are encouraged to work cooperatively with LMI to discuss issues in advance of the Technical Meeting-Pre-hearing Conference (TM-PHC). The NWB, however, requests to be kept informed of any issues and agreements reached between the parties on specific topics related to the Application. Further, the Board asks that the technical review comments, particularly for matters such as air quality, noise, and wildlife, be focused on only those aspects that involve the NWB's jurisdiction over the use of waters and the deposit of waste into waters or that may enter waters. As stated above, all comments should be filed in writing to the NWB's Manager of Licensing.

Following the receipt of technical review comments, the following general steps will be carried out for the Application:

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³ The minimum information requirements set out in the NWB Guidance Document- *Guide 7 – Licensee Requirements Following the Issuance of a Water Licence, April 2010*, see Table 3.

⁴ Letter from P. Downey, Lupin Mines Incorporated, to P. Beaulieu, NWB, Re: Response to comments on the completeness of the Type A Water Licence Renewal Application for the Lupin Mine, July 2, 2014.

⁵ Section 59: In the circumstances described in paragraph 58(b), an applicant need not compensate the person under section 58 if the person fails to respond to the notice of application given under subsection 55(1) within the time period specified in the notice for making representations to the Board. Section 60(2) Subsection (1) does not apply in respect of a person referred to in that subsection who fails to respond to the notice of application given under subsection 55(1) within the time period specified in that notice for making representations to the Board.

1. Technical Meeting-Pre-Hearing Conference (TM-PHC)

Rule 14 of the NWB Rules permits the Board, through its staff or in conjunction with staff, to hold a Technical Meeting (TM) and Pre-hearing Conference (PHC) with interested parties, either in writing, by teleconference, or in person.

The Board has directed the staff of the NWB, in accordance with NWB Rules, to hold the TM-PHC for the Application, in person, during the week of September 1, 2014 in the Community of Kugluktuk. Interested persons should note that in advance of the date on which the TM-PHC will be held the NWB will issue correspondence that include the relevant details.

2. Pre-Hearing Conference (PHC) Decision

Following the TM-PHC, the NWB will issue a PHC decision and may outline the technical commitments of the Applicant and the administrative and procedural requirements for a Public Hearing.

Public Hearing (PH) Notice

Sub-section 55(2) of the Act requires that a minimum notice period of sixty (60) days be provided for a Public Hearing (PH). As with the Technical Meeting and Pre-hearing Conference, the Board has the ability to conduct its Public Hearing in writing, by teleconference, or in person. Once the Board has received all information requested through this process and is satisfied that the Public Hearing should proceed, the type or place, date, and time of the hearing will be determined, and a notice will be published by the Board in advance of the Public Hearing and in a manner that promotes public awareness and participation in the hearing.

3. Public Hearing Decision

Following the Public Hearing, the Board will issue a final written decision with reasons (final decision). The final decision will be provided to the Minister of Aboriginal Affairs and Northern Development Canada (AANDC) for the Minister's decision. Interested and intervening parties will also be provided with a copy of the Board's final decision as well as the Minister's decision.

If you have any questions regarding procedural matters related to the file, please contact Phyllis Beaulieu, Manager of Licensing, by phone at (867) 360-6338 or by e-mail to

<u>licensing@nwb-oen.ca</u>. For inquiries related to technical matters, please contact Sean Joseph, Technical Advisor, by email to <u>sean.joseph@nwb-oen.ca</u>, or David Hohnstein, Director of Technical Services, by e-mail to <u>david.hohnstein@nwb-oen.ca</u>.

Parties should note that the NWB will distribute the Inuktitut versions of this correspondence subsequently.

Yours truly,

Damien Côté Executive Director, NWB

Cc: Kitikmeot Distribution