



persons that the Board would consider the adequacy of the evidence provided before determining whether to commence a technical review of INAC's request to amend the security.

In response to the Board notification of INAC's request, the Licensee, Lupin Mines Incorporated (LMI), submitted correspondence on February 9, 2016 indicating that LMI believes the information submitted by INAC is insufficient to support INAC's request for an amendment under Part C, Item 3 of the water Licence, which states as follows:

The Licensee or the Minister may apply to change the amount of security held under Part C, Item 1 and/or Part C, Item 2 of the Licence. Any request to change the amount of security shall be supplemented by submission(s) that include supporting evidence to justify the request and will be processed by the Board as an amendment to the terms and conditions of the Licence.¹

On February 12, 2016, the NWB acknowledged receipt of LMI's correspondence and stated that the next step in the process will be a direction from the Board as to whether INAC's request to amend the Licence has been supported by sufficient evidence.

The Board has completed a review of both INAC's and LMI's submissions and determined that INAC's submission constitutes sufficient evidence to support INAC's request to consider an amendment to the amount of security to be held under the Licence in accordance with Part C, Item 3 of Water Licence No. 2AM-LUP1520. The Board notes that while the INAC October 2015 Reclamation Estimate (Current Reclamation Estimate) may be considered similar in many ways to the previous reclamation estimates INAC provided for the project in advance of the Public Hearing to consider the application to renew and amend the Licence held in the spring of 2015, the Current Reclamation Estimate is now supported and complemented by additional evidence gathered during a site visit conducted by INAC and its consultant in August 2015. Consequently, INAC's Current Reclamation Estimate is likely to introduce or provide added perspectives and rationale not considered previously. That this additional information, based on a current assessment of site conditions may constitute sufficient evidence, was expressly noted in the Board's correspondence to the Minister of INAC issued on August 21, 2015 accompanying the revised Licence as reissued by the Board:

Although during the Board's further consideration of the quantum of security the Board has received no new evidence that would point to the need for an immediate amendment to the security amount currently fixed under Part C, Item 1, the Board does recognize that AANDC's site visit, including geotechnical investigations in August may yield substantive information regarding the current conditions at the site that could challenge the extent to which the \$25.5 million security estimate remains adequate and appropriate in the circumstances.²

¹ Nunavut Water Board Water Licence No. 2AM-LUP1520, Reissued August 19, 2015, p.6.

² Letter from T. Kabloona, NWB Chairperson to B. Valcourt, Minister of Aboriginal Affairs and Northern Development Canada (as it then was), Re: Type "A" Water Licence No. 2AM-LUP1520 – Renewal and Amendment, Further Consideration of Quantum of Security August 21, 2015, p. 8.

On this basis, the Board has decided INAC's submission should be evaluated in the context of a full technical review by the Board and interested parties. Therefore, in accordance with section 55(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and by copy of this correspondence, the NWB **gives notice of INAC's amendment request** and invites all interested persons, including the Licensee and Interveners involved in the renewal of the Licence last year, and any other party wishing to provide technical review comments on the information in INAC's submission, to provide relevant comments and/or recommendations to the Board on or before **4 p.m., MST, on March 18, 2016**. Submissions can be emailed to the NWB at licensing@nwb-oen.ca or faxed to (867) 360-6369.

Following the Board's receipt and review of technical review comments, the Board will issue further direction regarding the next steps in the Board's consideration of INAC's amendment request. It should be noted that as this amendment may be characterized as: "an amendment to a type A licence that does not affect the use, flow or quality of waters or alter the term of the licence" the Board may determine that, as provided for under s. 9 of the *Nunavut Waters Regulations*, SOR/2013-69, that this amendment request will not require a Public Hearing.

In the interim, interested persons can direct all questions related to administrative matters for the file to the NWB's licensing department by email to licensing@nwb-oen.ca. Questions related to technical matters should be directed to the NWB's technical department by email to technical@nwb-oen.ca.

Regards,

Stephanie Autut
Executive Director, NWB

Cc: Lupin Distribution