



December 14, 2015

Doc #2015-KIT022-EP

Patrick Downey
Lupin Mines Inc.
#1204 - 700 West Pender Street
Vancouver, BC V6C 2T7

RE: Revocation of Direction [2015-KIT002-EP], issued to Lupin Mines Inc. on July 22, 2015 pursuant to 87(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA)

Background

An Inspector's Direction dated July 22, 2015 was issued to Lupin Mines Inc. (LMI) to mitigate the risk of failure of, or damage to, the Tailings Containment Area (TCA) by way of treating and decanting the facility, and to implement the associated monitoring program.

LMI was directed to:

1. Immediately take the steps necessary to mitigate the risk to the TCA and to the environment. [To be carried out in compliance with Part E of the expired 2AM-LUP0914 licence, the 2013 Liquid Waste Management Plan, and the 2015 Work Plan submitted to AANDC on July 16, 2015.]
2. Implement fully the monitoring program as described in 2AM-LUP0914 (expired) with respect to the discharge (Stations LUP-10, LUP-20, LUP-21, LUP-22, LUP-24, and LUP-25) as identified in step 10 of the Work Plan.

The Direction also permitted limited use of Lupin Mine's camp facilities in order to prepare for, and carry out, the decant of the Tailings Containment Area and associated monitoring, but denied use of the Sewage Lakes facility until such time as compliance with a 2014 Direction was achieved.

Current Status of the AANDC Inspector's Direction(s)

The 2014 Direction was revoked on September 8, 2015, allowing use of the Sewage Lakes facility.

I have received confirmation that the TCA decant has been completed and LMI has provided discharge records and monitoring results demonstrating that it was carried out in compliance with the Direction and the Licence.

I have reviewed and am satisfied with the evidence provided in this matter. This correspondence is to inform LMI that LMI is now deemed to have met the conditions of the July



22, 2015 Direction [2015-KIT002-EP] and the Direction is now revoked.

Actions Required

Acknowledging the logistical and safety challenges at this time of year, final samples for LUP-22, LUP-24 and LUP-25 are to be collected as soon as it is safe to do so, and the results forwarded upon receipt.

Should you have any questions please contact me at (867) 222-6490.

Eva Paul

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cc. Stephanie Autut, Executive Director, Nunavut Water Board
David Rochette, Regional Director General, AANDC
Erik Allain, Manager of Field Operations, AANDC
Norm Cavanagh, Legal Counsel, Department of Justice
Karén Kharatyan, A/Manager of Licensing, Nunavut Water Board