



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
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Your file - Votre référence
2AM-LUP2032
Our file - Notre référence
GCdocs # 99050919

November 17, 2021

Mr. Richard Dwyer
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
sent via e-mail: licensing@nwb-oen.ca

**Re: Crown-Indigenous Relations and Northern Affairs Canada's Reply to LMI
Response on 2020 Annual Report Comments for water licence No. 2AM-
LUP2032 – Lupin Mine Project**

Dear Mr. Dwyer,

Thank you for your November 1, 2021 invitation for reply to Lupin Mines Incorporated's (LMI) October 29, 2021 response to Crown-Indigenous Relations and Northern Affairs Canada's comments on the 2020 Annual Reports.

LMI October 29, 2021 response addressed comments 1, 2, 3, 4, 6 and 7, while comment 5 remained outstanding.

1. Geotechnical Inspection Findings, Recommendations and Actions -

CIRNAC recommended that LMI:

- Provide specific details and evidence that the 2019 geotechnical inspection priority repairs were completed in 2020;
- Clarify if previous recommendations were not acted upon or that similar issues reoccurred in 2018, 2019 and 2020 annual geotechnical inspections; and
- Clarify the extent of work completed if any action has been taken to address the failure at Dam M.

In response, LMI provided references to Annual Report detailing priority repairs that were completed and that there was no total failure at Dam M as pointed out by CIRNAC but a localized failure that occurred in 2020 during additional fill placement to limit previously unobserved seepage. LMI went further to state that



the localized failure did not compromise the overall stability of Dam M and was monitored by the Engineer on Record (EOR) representative all through 2021 construction season.

LMI also stated that some of the items CIRNAC mentioned as “repeats” are areas that require ongoing monitoring each year but are not considered modifications and/or major maintenance work.

CIRNAC concerns were addressed.

2. Seepage at the Divider Dyke - CIRNAC recommended that LMI:

- provide Clarify if pond was built to contain the seepage; and
- Identify measures taken to mitigate the unauthorized discharge in the subsequent annual reports if no pond was built.

LMI in response, stated that no pond was built and the seepage at the Divider Dyke is not an unauthorized discharge or a spill to the environment. Any release of effluent or tailings will be contained within the Tailings Containment Area (TCA).

CIRNAC concerns were addressed.

3. Instrumentation Installations – CIRNAC recommended that LMI replace damaged thermistors and install additional moisture sensors at least one in each cell at the TCA.

In response, LMI stated that *“The annual report is a summary of activities that occurred at site during each given year as per Schedule B of Type A Water Licence 2AM-LUP2032”. “The annual geotechnical inspection report of the tailings containment area reports are distributed by the NWB separately for information only”.*

CIRNAC agree with the first part of LMI’s statement above that annual report is a summary of activities that occurred at the site in the reference year under review which includes all the items in schedule B of Type A Water Licence but not limited to those items alone. The annual geotechnical inspection report of the TCA is an integral part of those summary of activities occurred at the site which should also be reported in the annual report and provided for review. Therefore, the annual geotechnical inspection report distributed by NWB, is not only for information purposes but also a major component of the annual report review.



LMI confirmed that the two damaged thermistors were repaired in 2021. The importance of these monitoring instrumentations cannot be overemphasized, LMI should ensure that damaged monitoring instrumentations are fixed as soon as they have been identified as not functional, and that every effort be made to ensure that they remain functional at all times.

CIRNAC concerns were addressed.

4. Incorrect/Estimated Information - CIRNAC recommended that LMI clarify:

- Information in the 2020 annual report and update accordingly in the subsequent reports; and
- Rational for the estimated discharge volumes of 8632 m³ and 5076 m³ on September 14 and 16, 2021 respectively.

In response, LMI corrected the conflicting information in 2020 annual report and attached the updated version of the report and provided a rationale for the estimated discharge volumes which occurred as a result of syphon malfunctions due to ice build-up.

CIRNAC concerns were addressed

5. Certification of Repair Work – CIRNAC recommended that LMI:

- Clarify if monitoring observations and records from the 2020 inspection were sent to Stantec and EOR for review; and
- Ensure that an EOR is present to supervise and endorse structural earthworks during all subsequent emergency repair works; and
- Ensure that, signed and stamped As-Built drawings detailing the adequacy of those repairs are provided for review.

LMI stated in their response that a representative reporting directly to the EOR was present at site for the entire season and observed the work and completed daily inspections at the site. It is not clear who the EOR representative was, or the qualifications of the EOR representative. The expectation would be that an employee of Stantec with geotechnical training would have been on site to observe and report on the work. Since daily records for the earthworks related to the repairs were not provided, it is unclear who supervised the work. No explicit document regarding the repairs was provided by the EOR clearly stating that their representative was on site to witness the repair work and that the work was executed to the satisfaction of the EOR.

LMI went further to state that the remediation contractor on site at the time the L Dam crest was raised did not contact LMI, the EOR or the EOR representative though they were available and by inference should have been contacted prior to the raising of the dam crest work. LMI stated that an Incident Report was prepared however it was not included in the 2020 Annual Report. Given the



nature of the incident one would have expected a copy of the Incident Report to be included in the 2020 Annual Report. LMI did not provide any additional documentation in their response to CIRNAC (i.e. no signed and stamped As-Built drawings detailing the adequacy of those repairs were provided for review).

CIRNAC concerns have not been satisfactorily addressed.

6. 2020 Annual Inspections of Water and Waste Management Structures –

CIRNAC recommended that LMI:

- Clarify if bi-weekly and monthly inspections were completed during the freshet and open water seasons respectively as specified in the Type A Water Licence 2AM-LUP2032; and
- Provide the summary record of the inspections for review in subsequent annual report submissions

LMI confirmed bi-weekly and monthly inspections were completed during freshet and open water seasons by EOR representative and committed to abiding by Type A Water Licence 2AM-LUP2032 terms and conditions with regards to the provision of inspection records for review during annual report submission.

CIRNAC concerns were addressed.

7. Late Submission of Report – CIRNAC recommended that LMI ensure that all reports are submitted to the NWB in a timely fashion as per the terms and condition of the Type A Water Licence 2AM-LUP2032.

In response, LMI committed to ensuring that reports are submitted to the Nunavut Water Board (NWB) in a time fashion as per the terms and conditions of the Type A Water Licence 2AM-LUP2032.

CIRNAC concerns were addressed.

CIRNAC appreciates the opportunity to participate in this review. If there are any questions, please contact me at (867) 975-4738 or vincent.okonkwo@rcaanc-cirnac.gc.ca or Andre Keim at (867) 975-4550 or andrew.keim@rcaanc-cirnac.gc.ca

Sincerely,

Vincent Okonkwo

Senior Environmental Assessment Specialist