

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0

NOV 9, 2010

## qaluit, NU CIDMS #: 434366 (OA 0H0

NWB File: 2AM-LUP0914

## Re: 2AM-LUP0914 – Interim Abandonment and Restoration Plan – Lupin Gold Mine – Minerals and Metal Group.

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of the Interim Abandonment and Restoration Plan for water license 2AM-LUP0914 (Lupin Gold Mine) submitted by Minerals and Metals Group (MMG). The NWB circulated the Interim Abandonment and Restoration Plan for comments on October 13, 2010. All documents related to the application posted on the NWB ftp site under 2AM-LUP0914 were included in my review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4282 or by email at <a href="mailto:lan.Parsons@inac.gc.ca">lan.Parsons@inac.gc.ca</a>.

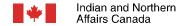
Sincerely,

Original signed by

lan Parsons Regional Coordinator

Cc. Lou-Ann Cornacchio, Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office





## **Technical Review Memorandum**

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Ian Parsons – Regional Coordinator, Indian & Northern Affairs Canada.

Re: 2AM-LUP0914 – Interim Abandonment and Restoration Plan – Lupin Gold Mine – Minerals and Metal Group.

The Lupin Gold mine is located approximately 285 km Southeast of Kuglugtuk on the West side of Contwoyto Lake. The Lupin Gold Mine is the Property of MMG and is currently in a Care and Maintenance Phase while MMG pursues the feasibility of re-opening the mine.

## **Recommendations/Comments**

The Lupin Gold Mine is currently in a Care and Maintenance Phase. As part of this phase the proponent has stopped covering tailings in the hopes of reopening and re-processing the tailings. With the potential for Acid Rock Drainage (ARD) and leachate from the tailings getting into the environment, INAC recommends that the proponent continue the monitoring program (as they always have) to verify that the water being discharged from the tailings containment area and the sewage lakes meet the criteria set forth in the water license.

INAC recommends that the proponent remain active in the reclamation process and if any contaminated soils or other species that are detrimental to the environment are known to exist they should be cleaned up or remediated accordingly and not wait for final reclamation.

On December 3, 2009 MMG submitted a work plan based on the recommendations outlined in the 2009 Annual Geotechnical Inspection Report prepared by TBT Engineering Consulting Group to be carried out in 2010. Along with this work plan, INAC recommends that the proponent carry out all recommendations contained in the 2009 Annual Geotechnical Inspection. This report contains areas of seepage, sloughing, erosion, etc. throughout the tailings containment area. These repairs are essential in keeping the untreated water within the tailings containment area long enough for effective treatment to take place before being discharged to the environment.





INAC reminds the proponent that Conditions Applying to the Abandonment, Reclamation and Closure Planning of Lupin Mine are covered under Part I of the Water License 2AM-LUP0914. These conditions have different timelines and requirements and as such the proponent should consult the water License 2AM-LUP0914 whenever activities at the Lupin Mine Site change.

Minerals and Metals Group are required to provide the Nunavut Water Board all outstanding information referred to above in order to comply with the requirements of the Interim Abandonment and Restoration Plan for Water License 2AM-LUP0914.

Cc. Lou-Ann Cornacchio, Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office
Peter Kusugak, District Manager – Indian and Northern Affairs Canada, Nunavut Regional Office

