

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

Nov 12, 2010

Re: 2AM-LUP0914 - Care and Maintenance Plan - Lupin Gold Mine - Minerals and Metal Group.

NWB File: 2AM-LUP0914

CIDMS #: 434656

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 lan.Parsons@inac.gc.ca.

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 – Water Resources Technician, Indian & Northern Affairs Canada.

Re: 2AM-LUP0914 – Care and Maintenance 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

INAC notes that the landfill that is proposed for use in the submitted Care and Maintenance plan is unlicensed. Water license 2AM-LUP0914 does not provide for the creation or use of such a facility and is therefore prohibited. INAC recommends that if this facility is to be used that an operation and maintenance plan be submitted to be included in the water license (2AM-LUP).

Further, re-use and/or recycling of materials is strongly encouraged to minimize disposal requirements. These items would include scrap metal, tires, etc. Landfilling should be considered as a last resort to minimize impacts to the environment and burying materials limits future use of the land.

INAC also notes that there is no mention in water license (2AM-LUP0914) of the use of an incinerator as a way to reduce waste. INAC recommends that the proponent submit an operation and maintenance plan for the use of an incinerator be included in the water license (2AM-LUP0914)

INAC recommends that if the proponent is going to use an incinerator to reduce wastes then they should consult Environment Canada's Technical Document for Batch Waste Incineration.

INAC recommends that the proponent include all items outlined in Schedule I Item 2 of the Water License (2AM-LUP0914) in their Care and Maintenance Plan. Items not included in the Care and Maintenance Plan include, but are not limited



to; i)Water and Wastewater management plans including measures to avoid the accumulation of run-off water, wastewater retention and release, and the Sewage Disposal Facility operation. ii)Inspections for fuels, chemicals all hazardous materials and spills. iii)Details on the continued storage of Petroleum products including Bulk Fuel Storage.

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 Care and Maintenance 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

