

P.O. Box 119 GJOA HAVEN, NU XOB 1JO TEL: (867) 360-6338 FAX: (867) 360-6369 KNK5 wmoEp5 vtmpq NUNAVUT IMALIRIYIN KATIMAYINGI NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

File No: 2AM-LUP0914

February 25, 2009

Honorable Chuck Strahl, P.C., M.P. Minister of Indian Affairs & Northern Development and Federal Interlocutor for Metis and Non-Status Indians 21<sup>st</sup> Floor, 10 Wellington Gatineau, Quebec K1A 0H4

By Courier, Email and Regular Mail

**Subject:** License 2AM-LUP0914 – Lupin Mine, Nunavut

Dear Minister:

Please find enclosed Licence 2AM-LUP0914 duly issued by the Nunavut Water Board (NWB). This Licence authorizes Lupin Mines Incorporated, to use water and dispose of waste in relation to the operation of the Lupin Mine. Reasons for Decision are also attached for your information. The Licence is in your hands to be considered in accordance with section 56 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*.

I wish to draw to your attention that Section 70 of the NWNSRTA permits the Board to specify responsibilities of Her Majesty in right of Canada for monitoring programs. Given the anticipated extended five year period of care and maintenance, the Board has determined that increased monitoring of the Lupin mine site by INAC is warranted. The Board notes that this is consistent with INAC's recommendation regarding the need for regular site inspections as a proactive measure to avoid problems with the accumulation of run-off water as well as wastewater retention and release.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Section 70 of the NWNSRTA states:70(1) Subject to this Act and the regulations, the Board may include in a licence any conditions that it considers appropriate, including conditions relating to

<sup>(</sup>c) the studies to be undertaken, works to be constructed, plans, including contingency plans, to be submitted and monitoring programs to be undertaken...

<sup>(2)</sup> The monitoring programs referred to in paragraph 1(c) may specify responsibilities of the applicant, the Nunavut Impact Review Board or Her Majesty in right of Canada.

<sup>&</sup>lt;sup>2</sup> See Indian and Northern Affairs Canada, Re: 2AM-LUP0008 – Type A, Water Licence Renewal Application – Lupin Mines Inc. (Zinifex Canada Inc.) – Written Public Hearing Comments pursuant to Section 52 of the Nunavut Waters and Nunavut Surface Rights Tribunal Act, December 3, 2008, at p. 3.

Accordingly, in Part A of the Licence the Board has specified responsibilities for INAC to monitor the mine site through a minimum of three regular inspections to be carried out annually during the period of time the mine site is under care and maintenance: one inspection in the spring following the initial freshette; one inspection in July, to be conducted in conjunction with the annual geotechnical inspection required under Part E, Item 6(g) of the Licence; and one inspection in the fourth quarter of the year following receipt of the engineer's report on the geotechnical inspection under Part E, Item 6(g) of the Licence.

Please contact the undersigned in writing should you have any questions regarding this matter.

Sincerely,

Thomas Kabloona

Chair

Attachment: License No: 2AM-LUP0914

c.c. Lupin Distribution List NWB Public Registry