

February 29, 2020

Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut X0B 1J0

Water Resources Officer, CIRNAC
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0

**RE: Water Licence 2AM-MRY1325 Monthly Surveillance Network Program (SNP) Report
January 2020**

The following is the monthly report for January 2020 as required under Part I, Item 21 of the Type 'A' Water Licence 2AM-MRY1325 (the Licence) which states:

"The Licensee shall submit to the Board, within thirty (30) days following the month being reported, a Monthly Monitoring Report. The Report shall include:

- a) All data and information required by this Part and generated by the Monitoring Program in the tables of Schedule I*
- b) An assessment of data to identify areas of non-compliance with regulated discharge parameters referred to in Part F"*

Monitoring Program

During the month of January 2020, water samples were collected as part of the Water Licence SNP.

Table 1.1 presents a list of samples/monitoring required under the Licence and the details concerning which water quality samples were collected along with sample date/laboratory identification number as appropriate. Analytical water quality testing results received are presented in Table 2.1 – 2.3. Water volumes consumed for domestic and industrial water purposes and the volumes of effluent discharged at the Mary River Mine Site and Milne Port are presented in Table 3.1.

Monitoring Program Results

Water Sampling and Analysis Results

Table 2.1 – 2.3 provides the analytical results related to the SNP sampling requirements for January 2020. There was one (1) exceedance of a site specific grab sample. Faecal coliforms were measured at 1,300 CFU/100 mL in the Mine Site Sewage Treatment Plant (STP) sample (MS-01B) collected on January 15, 2020, exceeding the permitted discharge limit for faecal coliforms of 1,000 CFU/100 mL. It is suspected that the high faecal coliforms result is due to sampling or external laboratory error.

At the time the sample was collected, the STP was functioning as designed. As a precaution, however, the UV bulbs were replaced following receipt of the external laboratory results on February 6. The monthly effluent sample for February was collected and sent for external laboratory analysis on February 4 prior to the replacement of the UV bulbs. The external laboratory results for the effluent discharge sample collected on February 4 indicate the sample contained 0 CFU/100 mL faecal coliforms, confirming the STP was functioning as designed prior to the UV bulb replacement and, therefore, at the time the January 15

sample was collected. The analytical results for the February 4 MS-01B sample are included in Table 2.1 – 2.3.

Flow and Volume Measurements

Table 3.1 provides a breakdown of volume measurements as required by Part I, Item 9 of the Licence for January 2020. There were no exceedances of the source specific daily volume withdrawal limits in January.

We trust that the information provided in this monthly report is acceptable and should you have any questions regarding this report please contact the undersigned.

Prepared by:

A handwritten signature in black ink, appearing to read "Connor Devereaux".

Connor Devereaux
Environmental Superintendent

Reviewed by:

A handwritten signature in black ink, appearing to read "Christopher Murray".

Christopher Murray
Environmental & Regulatory Compliance Manager

cc: Justin Hack, Jeremy Fraser (CIRNAC)
Jared Ottenhof, Chris Spencer (QIA)
Tim Sewell, Megan Lorde-Hoyle, Lou Kamermans, Shawn Stevens, Sylvain Proulx, Francois Gaudreau, Brian Marshall, Amanda McKenzie (Baffinland)

Attachments

Attachments – Monthly Water Sampling Results: Table 1.1, Table 2.1 – 2.3, Table 3.1

Attachments

Monthly Water Sampling Results

Table 1.1: Monitoring Program Water Sampling Summary for January 2020

| Monitoring Program Station | Sampling Date | Lab ID Number | Comment |
|--|---------------|---------------|--|
| Milne Port | | | |
| MP-01 (Sewage Treatment Facility) | 2020-01-15 | L2406386-1 | Volume reported daily during discharge |
| MP-0101 (Field Duplicate of MP-01) | 2020-01-15 | L2406386-3 | Field Duplicate |
| MP-01A (Polishing Waste Stabilization Pond) | N/A | N/A | No flow |
| MP-01B (Sewage Treatment Facility) | N/A | N/A | No flow |
| MP-MRY-2 (Freshwater Intake at Phillips Creek) | N/A | N/A | No water withdrawal |
| MP-MRY-3 (Freshwater Intake from Km 32 Lake) | N/A | N/A | Withdrawal volume recorded daily |
| MP-02 (Milne Port Maintenance Shop) | N/A | N/A | No flow |
| MP-03 (Bulk Fuel Storage Facility Stormwater) | N/A | N/A | No flow |
| MP-04 (Landfarm Facility & Snow Containment Facility) | N/A | N/A | No flow |
| MP-05 Ore Stockpile Sedimentation Pond (East) | N/A | N/A | No flow |
| MP-06 Ore Stockpile Sedimentation Pond (West) | N/A | N/A | No flow |
| MP-C-A (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-B (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-B01 (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-C (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-D (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-E (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-F (Downstream of Construction Area) | N/A | N/A | No flow |

| Monitoring Program Station | Sampling Date | Lab ID Number | Comment |
|---|---------------|---------------|----------------------------------|
| MP-C-G (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-C-H (Downstream of Construction Area) | N/A | N/A | No flow |
| MP-Q1-01 (Downstream of Q1 Quarry) | N/A | N/A | No flow |
| MP-Q1-02 (Downstream of Q1 Quarry) | N/A | N/A | No flow |
| Mary River Mine Site | | | |
| MS-01 (Sewage Treatment Facility) | 2020-01-15 | L2406388-1 | Discharge volume reported daily |
| MS-0101 (Field Duplicate of MS-01) | 2020-01-15 | L2406388-3 | Field Duplicate |
| MS-01A (Mine Site Polishing Waste Stabilization Pond) | N/A | N/A | No flow |
| MS-01B (Sewage Treatment Facility) | 2020-01-15 | L2406402-1 | Discharge volume reported daily |
| MS-02 (Mine Site Maintenance Shop) | N/A | N/A | No flow |
| MS-MRY-1 (Freshwater Intake Camp Lake) | N/A | N/A | Withdrawal volume recorded daily |
| MS-MRY-04A | N/A | N/A | No flow |
| MS-MRY-04B | N/A | N/A | No flow |
| MS-MRY-04C | N/A | N/A | No flow |
| MS-03 (Milne Site Bulk Fuel Storage Facility Stormwater) | N/A | N/A | No flow |
| MS-04 (Mine Site Fuel Unloading Station Stormwater) | N/A | N/A | No flow |
| MS-05 (Mine Site Landfarm Facility) | N/A | N/A | Not constructed |
| MS-06 (Ore Stockpile Pond Stormwater) | N/A | N/A | No flow |
| MS-07 (Run of Mine Ore Stockpile Pond Stormwater) | N/A | N/A | Not constructed |
| MS-08 (Mine Waste Rock Stockpile Pond) | N/A | N/A | No flow |
| MS-09 (Waste Rock Stockpile East Pond) | N/A | N/A | No flow |

| Monitoring Program Station | Sampling Date | Lab ID Number | Comment |
|---|---------------|---------------|---------|
| MS-MRY-6 (Exploration Camp Bladder Farm Stormwater) | N/A | N/A | No flow |
| MS-MRY-9 (Deposit 1 Surface Water Drainage) | N/A | N/A | No flow |
| MS-MRY-10 (Deposit 1 Surface Water Drainage) | N/A | N/A | No flow |
| MS-MRY-13A (Downstream Non-Hazardous Landfill) | N/A | N/A | No flow |
| MS-MRY-13B (Downstream Non-Hazardous Landfill) | N/A | N/A | No flow |
| MS-C-A (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-B (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-C (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-D (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-E (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-F (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-G (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MS-C-H (Downstream of Construction and Borrow Areas) | N/A | N/A | No flow |
| MQ-C-A (Downstream of QMR2 Quarry) | N/A | N/A | No flow |
| MQ-C-B (Downstream of QMR2 Quarry) | N/A | N/A | No flow |
| MQ-C-D (Downstream of QMR2 Quarry) | N/A | N/A | No flow |

| Monitoring Program Station | Sampling Date | Lab ID Number | Comment |
|--|---------------|---------------|---------|
| Steensby Port | | | |
| Steensby Exploration Camp is presently inactive. | N/A | N/A | N/A |

Table 2.1: Water Quality Results for Water Licence Monitoring Location - MP-01

| Analyte | Sample ID | | | MP-01 | MP-0101 |
|-------------------------|--------------------------|-------|-----------------------|------------------|------------------|
| | ALS Laboratory Sample ID | | | L2406386-1 | L2406386-3 |
| | Sample Date & Time | | | 15/01/2020 13:45 | 15/01/2020 13:45 |
| | QA/QC Sample Type | | | N/A | Field Duplicate |
| | Units | LOR | Criteria ¹ | | |
| pH | pH units | 0.10 | 6.0 - 9.5 | 7.52 | 7.52 |
| Total Suspended Solids | mg/L | 2.0 | 120 | 11.2 | 8.0 |
| Ammonia, Total (as N) | mg/L | 0.010 | - | 0.096 | 0.094 |
| Total Kjeldahl Nitrogen | mg/L | 0.15 | - | 1.95 | 1.43 |
| Phosphorus, Total | mg/L | 0.030 | - | 8.61 | 8.82 |
| Fecal Coliforms | CFU/100 mL | 0 | 10,000 | 0 | 1 |
| BOD | mg/L | 2.0 | 100 | 2.6 | <2.0 |
| Oil and Grease, Total | mg/L | 2.0 | - | <2.0 | <2.0 |
| | - | - | No Visible Sheen | No Visible Sheen | No Visible Sheen |

Notes:

Bold highlight indicates result that exceeded the applicable water quality criteria.

¹ Type A Water Licence (2AM-MRY1325 - Amend. 1) - Table 5: Effluent Quality Discharge Limits for Sewage Treatment Facilities to the Ocean.

Table 2.2: Water Quality Results for Water Licence Monitoring Location - MS-01

| Analyte | Sample ID | | | MS-01 | MS-0101 |
|-------------------------|--------------------------|--------|-----------------------|------------------|------------------|
| | ALS Laboratory Sample ID | | | L2406388-1 | L2406388-3 |
| | Sample Date & Time | | | 15/01/2020 15:00 | 15/01/2020 15:00 |
| | QA/QC Sample Type | | | N/A | Field Duplicate |
| | Units | LOR | Criteria ¹ | | |
| pH | pH units | 0.10 | 6.0 - 9.5 | 7.75 | 7.77 |
| Total Suspended Solids | mg/L | 2.0 | 35 | 6.4 | 6.2 |
| Ammonia, Total (as N) | mg/L | 0.010 | 4.0 | 0.115 | 0.113 |
| Total Kjeldahl Nitrogen | mg/L | 0.15 | - | 1.38 | 1.20 |
| Phosphorus, Total | mg/L | 0.0060 | 4.0 | 1.10 | 1.10 |
| Fecal Coliforms | CFU/100 mL | 10 | 1000 | 110 | 80 |
| BOD | mg/L | 2.0 | 30 | <2.0 | <2.0 |
| Oil and Grease, Total | mg/L | 2.0 | - | <2.0 | <2.0 |
| | - | - | No Visible Sheen | No Visible Sheen | No Visible Sheen |

Notes:

Bold highlight indicates result that exceeded the applicable water quality criteria.

¹ Type A Water Licence (2AM-MRY1325 - Amend. 1) - Table 4: Effluent Quality Discharge Limits for Sewage Treatment Facilities to Freshwater Receiving Environment.

Table 2.3: Water Quality Results for Water Licence Monitoring Location - MS-01B

| Analyte | Sample ID | | | MS-01B | MS-01B | MS-01B-01 |
|-------------------------|--------------------------|--------|-----------------------|------------------|------------------|------------------|
| | ALS Laboratory Sample ID | | | L2406402-1 | L2414001-1 | L2414001-3 |
| | Sample Date & Time | | | 15/01/2020 15:00 | 04/02/2020 15:00 | 04/02/2020 15:00 |
| | QA/QC Sample Type | | | N/A | N/A | Field Duplicate |
| | Units | LOR | Criteria ¹ | | | |
| pH | pH units | 0.10 | 6.0 - 9.5 | 8.01 | 7.29 | 7.36 |
| Total Suspended Solids | mg/L | 2.0 | 35 | <2.0 | <2.0 | <2.0 |
| Ammonia, Total (as N) | mg/L | 0.010 | 4.0 | 0.059 | 0.132 | 0.710 |
| Total Kjeldahl Nitrogen | mg/L | 0.15 | - | 1.09 | 0.45 | 0.98 |
| Phosphorus, Total | mg/L | 0.0060 | 4.0 | 1.54 | 0.0216 | 0.0195 |
| Fecal Coliforms | CFU/100 mL | 100 | 1000 | 1300 | 0 | 0 |
| BOD | mg/L | 2.0 | 30 | <2.0 | <2.0 | <2.0 |
| Oil and Grease, Total | mg/L | 2.0 | - | <2.0 | <2.0 | <2.0 |
| | - | - | No Visible Sheen | No Visible Sheen | No Visible Sheen | No Visible Sheen |

Notes:

Bold highlight indicates result that exceeded the applicable water quality criteria.

¹ Type A Water Licence (2AM-MRY1325 - Amend. 1) - Table 4: Effluent Quality Discharge Limits for Sewage Treatment Facilities to Freshwater Receiving Environment.

Table 3.1: Flow and Volume Measurements-Part I Item 11 - January 2020

| DATE | Camp Lake Freshwater for Domestic Use - Daily Water (m ³) MS-MRY-1 | Camp Lake Freshwater for Industrial Use - Daily Water (m ³) MS-MRY-1 | Treated Sewage Effluent (m ³) from MS-01 to Discharge Location #1 | Treated Sewage Effluent (m ³) from MS-01B to Discharge Location #1 | Sewage Sludge Removed (m ³) from Mine Site WWTPs to Incinerator or Disposal Offsite (Backhaul) | Sewage Sludge Removed (m ³) from Mine Site WWTP to PWSP at Mine Site | Sewage Sludge Removed (m ³) from Lift Stations to PWSP at Mine Site | Km 32 Lake Milne Port Camp Daily Water (m ³) MP-MRY-3 | Km 32 Lake Milne Port Camp Fresh Water Use for Industrial Purposes (m ³) MP-MRY-3 | Treated Sewage Effluent (m ³) from MP-01 to Milne Port | Treated Sewage Effluent (m ³) from MP-01B to Milne Port | Sewage Sludge Removed (m ³) from Milne Port WWTP to Mine Site WWTP | Sewage Sludge Removed (m ³) from Milne Port WWTP to PWSP at Mine Site | Sewage Sludge Removed (m ³) from Milne Port WWTP to Incinerator or Disposal Offsite (Backhaul) | Sewage Sludge Removed (m ³) from Lift Stations to PWSP at Milne Port | Sewage Sludge Removed (m ³) from Milne Port WWTP to PWSP at Milne Port |
|-----------|--|--|--|---|---|---|--|--|--|--|--|---|--|---|---|---|
| 1-Jan-20 | 162.9 | 8.6 | 36.0 | 86.2 | 1.1 | 0.0 | 0.0 | 37.7 | 0.0 | 61.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 2-Jan-20 | 104.4 | 0.0 | 36.0 | 98.1 | 0.9 | 0.0 | 0.0 | 40.7 | 0.0 | 60.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| 3-Jan-20 | 136.6 | 0.0 | 35.0 | 83.3 | 0.4 | 0.0 | 0.0 | 30.0 | 0.0 | 52.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 4-Jan-20 | 73.2 | 0.0 | 21.0 | 72.2 | 0.4 | 0.0 | 0.0 | 35.6 | 0.0 | 53.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 5-Jan-20 | 108.7 | 0.0 | 37.0 | 75.3 | 0.9 | 0.0 | 0.0 | 31.2 | 0.0 | 57.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 6-Jan-20 | 149.4 | 0.0 | 17.0 | 82.4 | 2.6 | 0.0 | 0.0 | 34.4 | 0.0 | 55.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 7-Jan-20 | 117.8 | 0.0 | 15.0 | 84.5 | 2.1 | 0.0 | 0.0 | 34.7 | 20.4 | 54.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 8-Jan-20 | 134.5 | 0.0 | 42.0 | 72.6 | 1.2 | 12.0 | 0.0 | 39.9 | 0.0 | 57.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 1.0 |
| 9-Jan-20 | 149.4 | 0.0 | 33.0 | 106.1 | 1.6 | 12.0 | 0.0 | 38.4 | 0.0 | 59.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 10-Jan-20 | 87.6 | 0.0 | 17.0 | 83.1 | 1.7 | 12.0 | 0.0 | 24.2 | 0.0 | 57.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 11-Jan-20 | 108.2 | 11.2 | 32.0 | 93.3 | 1.8 | 12.0 | 0.0 | 53.3 | 0.0 | 58.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 |
| 12-Jan-20 | 129.0 | 22.0 | 31.0 | 73.5 | 1.7 | 12.0 | 0.0 | 42.8 | 0.0 | 55.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 |
| 13-Jan-20 | 118.7 | 0.0 | 31.0 | 104.5 | 1.5 | 12.0 | 0.0 | 39.8 | 0.0 | 54.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 14-Jan-20 | 152.3 | 25.3 | 32.0 | 85.6 | 1.6 | 0.0 | 0.0 | 34.7 | 0.0 | 61.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 15-Jan-20 | 133.0 | 0.0 | 32.0 | 88.2 | 1.4 | 0.0 | 0.0 | 34.5 | 0.0 | 60.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| 16-Jan-20 | 131.6 | 6.9 | 32.0 | 101.7 | 1.5 | 0.0 | 0.0 | 37.3 | 0.0 | 54.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 17-Jan-20 | 165.7 | 9.1 | 31.0 | 89.8 | 1.7 | 0.0 | 0.0 | 38.6 | 0.0 | 58.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 |
| 18-Jan-20 | 92.8 | 6.9 | 28.0 | 94.6 | 1.5 | 0.0 | 0.0 | 50.4 | 0.0 | 63.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 19-Jan-20 | 122.3 | 0.0 | 37.0 | 72.8 | 1.5 | 0.0 | 0.0 | 54.8 | 0.0 | 67.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 20-Jan-20 | 151.5 | 0.0 | 37.0 | 85.7 | 1.5 | 0.0 | 0.0 | 43.3 | 0.0 | 70.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 21-Jan-20 | 137.0 | 13.0 | 37.0 | 85.7 | 1.6 | 0.0 | 0.0 | 51.5 | 0.0 | 67.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 22-Jan-20 | 106.1 | 11.2 | 41.0 | 82.0 | 1.3 | 0.0 | 0.0 | 45.5 | 0.0 | 66.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 |
| 23-Jan-20 | 113.1 | 0.0 | 40.0 | 84.1 | 1.5 | 0.0 | 0.0 | 36.5 | 2.0 | 64.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 |
| 24-Jan-20 | 107.3 | 0.0 | 35.0 | 66.3 | 1.6 | 0.0 | 0.0 | 51.2 | 0.0 | 67.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 25-Jan-20 | 136.2 | 11.2 | 36.0 | 76.4 | 1.3 | 0.0 | 0.0 | 37.1 | 0.0 | 63.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 26-Jan-20 | 72.3 | 5.2 | 37.0 | 66.6 | 1.6 | 0.0 | 0.0 | 44.4 | 0.0 | 60.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 1.0 |
| 27-Jan-20 | 153.4 | 9.1 | 37.0 | 98.7 | 1.6 | 0.0 | 0.0 | 48.1 | 0.0 | 63.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 |
| 28-Jan-20 | 188.7 | 0.0 | 37.0 | 81.7 | 1.6 | 0.0 | 0.0 | 44.4 | 2.0 | 59.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 |
| 29-Jan-20 | 168.0 | 7.2 | 37.0 | 106.6 | 1.1 | 0.0 | 0.0 | 51.8 | 0.0 | 61.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 30-Jan-20 | 146.1 | 0.0 | 35.0 | 106.9 | 1.3 | 0.0 | 0.0 | 42.4 | 0.0 | 59.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| 31-Jan-20 | 151.6 | 12.7 | 37.0 | 95.0 | 1.4 | 0.0 | 0.0 | 36.1 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| Total | 4,009.4 | 159.4 | 1,021.0 | 2,683.5 | 44.1 | 72.0 | 0.0 | 1,265.3 | 24.4 | 1,844.0 | 0.0 | 0.0 | 0.0 | 9.4 | 0.0 | 6.0 |

Notes:
WWTP - Waste Water Treatment Plant
PWSP - Polishing Waste Stabilization Pond