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June 27, 2017

Mr. Richard Dwyer Acting Manager of Licencing Nunavut Water Board PO Box 119 Gjoa Haven, NU X0B 1J0

## Water Licence No. 2BB-BOS1217 - Boston Advanced Exploration Project

Dear Mr. Dwyer;

TMAC has reviewed the letter from Sarah Forte of INAC received by the NWB on June 26 commenting on TMAC's responses to the review of the renewal application for Type B Water licence 2BB-BOS1217. In their letter INAC indicates general satisfaction with many of TMAC's responses to previous questions and comments. In some cases TMAC feels some additional clarifications will be helpful to the deliberations of the Board in finalizing the renewed licence and this note is intended to offer these clarifications. Below in order of occurrence are TMAC's comments and clarifications.

INAC Comment Reference	TMAC Clarification
Licence term and     project relation with     Phase 2 water licence     application	Acknowledged
2. Winter track/road	Acknowledged
Lead effluent     discharge     concentration for     landfarm and bulk fuel     storage facility	Acknowledged
4. Drill site reclamation	In correspondence with the INAC Inspector (see <a href="ftp://ftp.nwb-">ftp://ftp.nwb-</a>
INAC requests a schedule for reclaiming old drill sites.	oen.ca/registry/2%20MINING%20MILLING/2B/2BB%20- %20Bulk%20Sampling/2BB- BOS1217%20TMAC/3%20TECH/0%20SCOPE%20ENFOR CE%20%28A%29/2%20COMPLIANCE/2016) it was noted that there is insufficient equipment and fill material to travel over the tundra and place rock fill in the thermokarsts caused by previous drilling in the Boston area. TMAC has indicated that these holes

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INAC Comment Reference	TMAC Clarification
	will be filled when equipment is available and readied for constructing the production facilities at Boston. That said, TMAC is investigating placing nonsaline drill cuttings in the open thermokarsts near the air strip as a trial this year.
5. Fill material for reclamation of drill holes  INAC requests an explanation of how potentially metal leaching ore will be handled during reclamation of the site.	<ul> <li>There are three options for dealing with the ore currently stored on the Boston site and that which was used on the air strip: <ul> <li>Should the site be reclaimed from its current state as an exploration facility, the ore could be collected from the stockpiles and the air strip and hauled via the winter track to the Doris mill for processing, or</li> <li>Upon closure the ore could be relocated to the underground.</li> <li>If the site is developed as a producing mine the ore could be processed in the proposed Boston mill.</li> </ul> </li> </ul>
<ol> <li>Capacity of Doris         Landfill for accepting reclamation debris     </li> </ol>	Acknowledged
7. Interim care and maintenance in Interim Closure Plan cost estimate	Acknowledged
8. Landfarm at capacity	Acknowledged
Landfarm water     management	Acknowledged
10. Current water management procedures  INAC recommends an updated water	TMAC does not plan to reopen the portal until at least 2018 and respectfully suggests that an updated water management plan for the Boston site be required 60 days prior to reopening the portal, for which 90 days' notice would be provided.
management plan within 60 days of licence issuance or 60 days prior to portal re-opening.	
11. Monitoring seeps and ephemeral streams	Acknowledged
12. Monitoring water use	Acknowledged
13. Revised closure estimate	Acknowledged

With respect to Item 13, in the table above, TMAC respectfully suggests that renewal of the Boston licence be dated August 1 and that the provision of security funds be required 30 days from that date.

Furthermore, and as requested in TMAC's recent amendment request to the Madrid Type B Water Licence No. 2BB-MAE1727, TMAC requests that the Board consider the following language in the security provisions of the licence, in order to clarify that the Board may consider reductions to the security that is required to be provided to the Minister should equivalent security be posted with the Kitikmeot Inuit Association, as well as revisions to the schedule for posting security:

A: The Licensee shall, furnish and maintain with the Minister, in a form that is satisfactory to the Minister, reclamation security:

(a) in the amount of \$XXX; or

(b) in an amount determined by the Board in accordance with Part XX, Item XX to be sufficient to secure the Boston Advanced Exploration Project closure and reclamation costs estimated for the coming year., and

B: The Licensee may submit to the Board for approval in writing, a written request for an adjustment to the amount and/or timing of security outlined in A. The submission shall include supporting evidence to justify the request. Where the Licensee files evidence, in writing with the Board and with notice to the Minister and the Kitikmeot Inuit Association that the Licensee will furnish and maintain security with the Kitikmeot Inuit Association in an amount sufficient to secure all or part of the Madrid Advanced Exploration Project closure and reclamation costs, the Board may reduce the amount of security required to be held by the Minister under Part C, Item 1.

TMAC thanks the Board in advance for its consideration of these suggestions.

Sincerely,

John Roberts

Vice President Environmental Affairs

cc. (electronic)

Sara Forte, INAC

John Roesch, KIA

Oliver Curran, TMAC