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Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

Your file - Votre référence 2BE-MEL Our file - Notre référence 9999-9 / CIDMS 152585

June 15th, 2007

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Re: Meliadine Project, 2BE-MEL, Amendment Application

The Water Resources Division of Indian and Northern Affairs Canada (INAC) has performed a review of the water licence amendment application submitted to the Nunavut Water Board (NWB) for the Meliadine Project. In conducting our review INAC Water Resources has made reference to all documents located on the Nunavut Water Board's FTP-site under 2BE-MEL.

Figure 2, Camp Location suggests the dangerous good location is directly adjacent Meliadine Lake. INAC suggests the NWB require the proponent to observe the minimum thirty (30) meter set back for all infrastructure.

Section 5 of the Advanced Exploration Questionnaire, The Containment Areas, and Section 10 of the Water Licence Application states "if analyses show that the water quality conditions have deteriorated so that they do not meet the Canadian Water Quality Guidelines for the Protection of Aquatic Life, the contaminated runoff will be intercepted by the placement of Aquadams". INAC suggests that the proponent not wait until water quality has deteriorated before implementing secondary containment measures. INAC suggests the NWB require the proponent to make use of secondary containment measures in all instances where there is a likelihood for water quality to be adversely affected. Furthermore, Section 5 mentions waste rock. INAC suggests the NWB require the proponent to submit more detailed waste rock handling procedures, i.e. a Waste Rock Management Plan. The Waste Rock Management Plan should describe the management of potential acid generating rock as eluded to in Section 1, Subsection 25 of the Advanced Exploration Questionnaire.

Section 4.1.1 of the Environmental Management System, should be amended to state "For prospecting expeditions requiring fuel to be placed in the prospecting area, cache sites shall be selected that are at least 30m from the nearest water body or water course." A similar condition, i.e. minimum 30m from the nearest water body, should be placed on all sewage and grey water disposal.



Section 4.5.1, Spill Reporting, of the Environmental Management System should make reference to the Nunavut Spill Report Line and provide a copy of the Nunavut Spill Report Form in the project's Spill Contingency Plan. This form can be retrieved from the Nunavut Water Board public registry at http://nunavutwaterboard.org. Please note that the 24-hour Spill Report Line telephone number is (867) 920-8130 and facsimile number is (867) 873-6924. Futhermore, INAC requests the proponent report all spills greater than one litre (>1L) Nunavut Spill Report Line.

A copy of the Fuel Management and Spill Contingency Plan and spill kits should be located where every fuel is located, even in temporary locations, i.e. drill sites.

INAC recommends the NWB require the applicant file a comprehensive report which includes final design plans, stamped, signed and dated by a qualified professional, with the NWB in advance of project implementation. INAC also recommends the NWB require the applicant to file final as-built designs, stamped, signed and dated by a qualified professional, with the NWB after implementation.

Finally, give the size and nature of the project INAC requests the NWB require the proponent submit a Site Water Management Plan as a licence condition. Such a plan should detail the relationship of project components to fresh water quality and outline possible mitigation measures.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4548 or by email at BathoryS@ainc-ianc.gc.ca.

Sincerely,

Original Signed By

Stephen Bathory Regional Coordinator