

Affaires indiennes et du Nord Canada

May 03, 2004

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

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Nunavut Water
Board

WAY 0.3 2004
Public Registry

Via facsimile to:
(867) 360-6369

May 3, 2003

Re: Baffinland Iron Mines Corp. - Mary River Project

On behalf of Indian and Northern Affairs Canada (INAC) Water Resources, I would like to thank the Nunavut Water Board (NWB) for the opportunity to provide comment on the Water Licence application filed by of Baffinland Iron Mines Corporation (the Proponent) for their exploration activity near the Mary River.

The application submitted by the Proponent, while it addressed many of the key points in a Water Licence application, did not always do so in a comprehensive manner. INAC therefore presents the following recommendations and comments:

NWB Exploration/Remote Camp Supplementary Questionnaire

Questions 7 and 20.

The Proponent has identified the anticipated water draw per unit of activity, such as L/person/day, or L/drill/day (as also presented in Question 7 of the NWB Water Licence Application Form), but has not clearly indicated a maximum daily or total volume of water requested for use. It is requested that the Proponent provide an indication of these volumes, as well as an indication of the rates of flow of the Mary River and any tributaries thereof identified for use, such that the volumes of water requested and water available may be easily compared.

Question 10.

The proponent has identified that they will clean up the debris left by a previous camp near the exploration site. It is requested that while doing so, the Proponent record and report any suspected contamination involving substances identified as potentially hazardous to human or environmental



health.

- Questions 18 &19. It is requested that the proponent not conduct any drilling, or deposit drill cuttings in any sump above 30m of the high water mark.
- Question 20. It is recommended that, where the possibility of loss of drill cuttings through cracks in the bedrock exists, that the proponent lay down absorbent or other barrier material to minimize such loss.
- Questions 35 & 36. The Proponent has identified the anticipated construction of landfill sites. It is recommended that the Proponent provide additional information regarding:
 - The locations of the landfill site(s)
 - The materials to be included in/excluded from the landfill site(s). This should be given special consideration, as the Proponent has identified that no leachate monitoring is to occur at any of the waste disposal sites.
 - The anticipated design, construction, and reclamation parameters to be employed with any landfill sites
- Question 38. The Proponent has identified that a photographic record of abandonment and restoration plans will be compiled. It is recommended that the Proponent elaborate if, or the mechanism by which, this record will be distributed.
- Question 39. It is recommended that, at the earliest available opportunity, the Proponent provide an indication of the water baseline data to be collected, and the means by which this will occur (i.e. number of samples, volumes, and locations).

Spill Contingency Plan

The following comments and recommendations are provided for the Spill Contingency Plan submitted by the Proponent:

- The on-site contact information of the person to responsible in the event of a spill should be identified at the earliest available opportunity.
- It is recommended The Proponent identify the training, and the source of that training, that onsite staff will receive in the identification of, and response to, hazardous material spills.
- Once the geography of the site has been further elucidated, it is recommended that
 the Proponent provide a more detailed description of the fuel storage area and the
 secondary containment utilized therein.

- 4. The Proponent has identified the use of fine sand, soil, or snow as absorbent material to be used in spill containment. As one of the purposes of spill containment is the protection of the local environment, it is highly recommended that, wherever possible, the Proponent utilize commercial materials for the containment of spills.
- It is recommended that the Proponent provide a list of materials to be included in each spill kit, and that a map with the locations of permanent spill kits be provided.
- 6. Although identified as "unlikely" in the Clean Up section of the Spill Contingency Plan, it is recommended that the Proponent be prepared for a scenario in which two or more barrels are leaking at the same time.
- It is recommended that the Proponent provide a contaminant testing regime for hydrocarbon contaminated soils to undergo prior to release into the environment following incineration.

Abandonment and Restoration Plan

The Abandonment and Restoration (A&R) Plan provided by the Proponent identifies several broad areas in which A&R activities will take place. INAC would expect that the Proponent recognizes that the A&R plan, as presented, represents no more than a conceptual framework for A&R activities. INAC accordingly expects that the Proponent will expand and elaborate on the A&R plan. Without a sufficient degree of detail on which to comment, INAC can provide only a few suggested additions to the A&R plan as presented. These additions include:

- A prediction of the sequence of events that will occur during the demobilization
 of the camp, and associated accounting to ensure that sufficient human and
 mechanical resources are onsite for the undertaking of A&R activities.
- The inclusion of landfill cover and closure in the items to be addressed by the A&R plan.
- An enhanced discussion of material that is or is not permissible to be burned in the open pit.
- 11. An enhanced discussion of progressive reclamation activities, such as the ongoing backfill of drill cutting sumps, or treatment of hydrocarbon contaminated soil...

Please do not hesitate to contact us if you have any further questions or concerns.

Best regards,

Original signed by:

Stephanie Hawkins Qikiqtani Regional Coordinator Water Resources Division Nunavut Regional Office