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

January 23, 2004

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0E 1J0 Your file - Votre référence **NWB2BRO0203**Our file - Notre référence 9545-3-2-BRO

Via electronic mail to: licensing@nwb.nunavut.ca

Re: Renewal of Water Licence NWB2BRO0203 - Brodeur Project

On behalf of Indian and Northern Affairs Canada (INAC) Water Resources, I have reviewed the December 10, 2003 application by Kennecott Canada Exploration Inc. (Kennecott) for renewal of their 2002-03 Water Licence for exploration activities in the Brodeur region. Included in the review were the current application, the 2001/02 and 2002/03 Water Licenses, and the December 2003 spill Contingency Plan.

While INAC holds no objection to the renewal of the Water License under the existing terms and conditions contained therein, it should be noted that both Water Licence NWB2BRO0101 and NWB2BRO0203 provided for the provision of an abandonment and restoration (A&R) plan by the proponent within six (6) months of issuance of the Licence (Part G, Item 1 and Part H, Item 1, respectively). INAC is not aware of any A&R plan having yet been submitted by Kennecott. It is therefore recommended that issuance of the Water License renewal be contingent on the submission of an A&R plan. Alternatively, it is suggested that the Water License renewal be issued for a term of only one year, with further licensing contingent on A&R plan submission and approval. It should also be noted that if the NWB2BRO0203 Water License is renewed in its current form, the wording in Part H, Items 2&3 should be changed to refer to Part H, Item 1. The current reference in these Sections refers back to Part G, Item 1, as per the NWB2BRO0101 Water License, and is no longer appropriate.

The December 2003 spill Contingency Plan appears complete, however a higher quality reproduction of the site map could be provided in the application, and should be provided to essential spill response personnel.



Please do not hesitate to contact me if there are any further questions or concerns.

Best regards,

Original signed by:

Stephanie Hawkins

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