

Indian and Northern Affairs Canada www.inac.gc.ca Affaires indiennes et du Nord Canada www.ainc.gc.ca

Water Resources Nunavut Regional Office P.O. Box 2200 Iqaluit, NU, X0A 0H0 Tel. (867) 975-4555 Fax. (867) 975-4585

rax. (607) 975-456

Your file - Votre référence 2BE-BRO0405

Our file - Notre référence #80712 / 9545-3-2BROG

May 25, 2006

Richard Dwyer Lincensing Trainee Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel. (867) 3606338 ext. 20 Fax. (867) 360-6369

Email: licensingtrainee@nwb.nunavut.ca Via Email

RE: 2BE-BRO0405 - Kennecott Canada Exploration Inc. - Brodeur Project - 2005 Annual Report

On behalf of Indian and Northern Affairs Canada (INAC) I have reviewed the above-mentioned application. The following specialist advice has been provided pursuant to INAC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NW&NSRT), *Arctic Waters Pollution Prevention Act* (AWPPA), and the *Department of Indian Affairs and Northern Development Act* (DIAND Act).

Background Information

Kennecott Canada Exploration Inc. (Kennecott) has submitted an Annual Report of freshwater use and disposal of wastes associated with its Brodeur Project as required by Part B, Item 2 of its licence. This mining project is in an early exploration stage and has a licence which permits the use of freshwater to support the domestic needs of personnel and diamond drilling operations. The project has a camp situated 70 km west of the Hamlet of Arctic Bay on the Brodeur Peninsula, having a coordinate of 73°14'49"N, 87°52'10"W. The project area is contained within general latitudes of 73°N and 74°N and longitudes of 86°W and 88°40'W. The project's licence permits the daily use of 10 m³ of freshwater for domestic needs and 50 m³ for drilling operations from local sources.

The Annual Report states that the exploration camp was occupied from June 25 to August 3, 2005 with 3 to 22 people at any given time. Freshwater was only consumed for domestic purposes with an average daily consumption of 3.5 m³. All sewage and solid waste was burned on-site and gray water was directed to a sand bar sump. This sump was made inaccessible to wildlife at the end of the field season. No hazardous material spills were reported in 2005 and the proponent submitted revised Spill Contingency and Abandonment and Reclamation Plans with its Annual Report.



INAC Comments

It is recommended that the following comments be taken into consideration when reviewing the Brodeur Project's 2005 Annual Report.

SPILL CONTINGENCY / HAZARDOUS MATERIALS

- All hazardous materials (including waste oil) shall receive proper treatment and disposal at an
 approved facility. The Spill Contingency Plan indicates that "contaminated soil and vegetation
 may have to be removed for disposal." If the proponent intends to treat contaminated materials
 on-site, it should identify its treatment methods to the Nunavut Water Board.
- All fuel caches should be located above the high water mark of any water body. It is
 recommended that the proponent employ some form of secondary containment, such as selfsupporting insta-berms, when storing barreled fuel on location rather than relying on natural
 depressions.
- It is recommended that a spill response kit be made available at all fuel caches. Furthermore, the Spill Contingency Plan should identify the contents of such kits and any other spill response equipment.
- Although the proponent will ensure that the appropriate Material Safety Data Sheets (MSDS Sheets) will be attached to copies of the Spill Contingency Plan on the Brodeur Property, INAC recommends that the proponent allow the Board to review these documents.

If there are any changes in the proposed project, INAC should be notified, as further review may be necessary. Please do not hesitate to contact me if you have any questions or comments with regards to the foregoing by telephone (867) 975-4555 or by email via abernethyd@inac-ainc.qc.ca.

Sincerely,

Original signed by

David W. Abernethy Water Resources Coordinator

cc. Jim Rogers - Manager of Water Resources, Indian and Northern Affairs Canada, Iqaluit