

August 22, 2014

Your file - Votre reference 2BE-COP----

Our file - Notre reference IQLAUIT-#834042

Phyllis Beaulieu Manager of Licensing Nunavut Water Board GJOA HAVEN, NU X0E 1J0

Re: Aboriginal Affairs and Northern Development Canada Review of Tundra Copper Corp.'s Application for a New Water Licence, #2BE-COP----

Dear Ms. Beaulieu:

Thank you for your email of July 22, 2014, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4555 or email at david.abernethy@aandc-aadnc.gc.ca for further information.

Sincerely,

David Abernethy
Regional Coordinator
Water Resources Division
Resource Management Directorate
Aboriginal Affairs and Northern Development Canada
IQALUIT, NU X0A 0H0

Encl.

c.c.: Murray Ball, Manager of Water Resources, AANDC Nunavut Erik Allain ,Manager of Field Operations, AANDC Nunavut



Memorandum

To: Phyllis Beaulieu, Nunavut Water Board

From: David Abernethy, Aboriginal Affairs and Northern Development Canada

CC: Murray Ball (AANDC), Erik Allain (AANDC)

Date: August 22, 2014

Re: New Type 'B' Water Licence Application, #2BE-COP----

Applicant: Tundra Copper Corp.
Project: Coppermine Project

Region: Kitikmeot

Comments:

A. Background

On July 22, 2014, the Nunavut Water Board (the "NWB") provided notification of an application for a new water licence for water use and waste disposal associated with Tundra Copper Corp.'s (the "Applicant") Coppermine Project, a mineral exploration undertaking. The project is situated approximately 60 km southeast of the Hamlet of Kugluktuk and is on both Crown Land administered by Aboriginal Affairs and Northern Development Canada ("AANDC") and Inuit Owned Land administered by the Kitikmeot Inuit Association. Project activities include prospecting and geological mapping; geochemical soil and rock sampling analysis; geophysical surveys; trenching; and diamond drilling operations. A camp will be mobilized to accommodate an average of nine project personnel when exploration work is being performed. The location where the camp will be mobilized has not yet been confirmed.

The Applicant has requested a two year licence term. Included in its application are a Spill Contingency Plan and Abandonment and Reclamation Plan. It is requesting the use of 50.5 m³ of water per day. Of this amount 50.0 m³ will support diamond drilling operations and 0.5 m³ will be used as potable water.

Interested parties were asked to review this application and provide comments by August 22, 2014.

B. Results of review

The following comments and recommendations are provided for the NWB's consideration:

1. Incineration of solid waste and disposal of ash residue

Comment:

According to the Applicant's Abandonment and Reclamation Plan, "combustible waste will be incinerated in a burn barrel. The ash will be buried. Non-combustible waste will be flown out and disposed in appropriate facilities in Kugluktuk." Care must be exercised when burning or incinerating solid waste because inefficient combustion can result in environmental, health, and safety hazards from the pollutants found in smoke and exhaust gases (i.e., dioxins and furans) and in the residual ash. The unrestricted burning of solid waste products in a burn barrel (or modified burn barrel) and the burial of residual ash can introduce contaminants to air, water, and soil in the project area. The Applicant should review the Government of Nunavut's Environmental Guideline for the Burning and Incineration of Solid Waste before burning or incinerating any solid waste products.

Recommendation:

The Applicant should only use a burn barrel to burn paper products; paperboard packing including boxboard and cardboard; untreated wood including lumber and plywood; and natural fiber textiles. The residual ash of these solid waste products is suitable for burial on site. Other solid waste products (e.g., food waste, food packaging, and plastic) should be incinerated in a dual-chamber incinerator or delivered to an approved waste management facility. Any bottom ash from a dual-chamber incinerator should be bagged and delivered to an approved waste management facility to prevent the contamination of soil or water.

2. Spill Contingency Plan Emergency Contact Information

Comment

The Applicant's Spill Contingency Plan's Emergency Contact List does not provide up to date AANDC contact information.

Recommendation:

The Spill Contingency Plan's emergency contact list should have a single AANDC contact: Manger of Field Operations, AANDC, Nunavut, Tel: 867-975-4295. The existing AANDC contacts included in the plan can be removed (i.e., District Manager, INAC (Indian and Northern Affairs Canada) and INAC Water Resources, Nunavut).

3. NT-NU Spill Report Form

Comment:

The Spill Contingency Plan would be improved if it included a copy of the NT-NU Spill Report Form to illustrate the spill reporting requirements. This form should be completed in addition to calling the 24 Hour Spill Report Line for all hazardous material spills that are in an amount equal to or greater than the amounts set out in Schedule B of the Nunavut Spill Contingency Planning and Reporting Regulations.

Recommendation:

The Spill Contingency Plan should be revised to include a copy of the NT-NU Spill Report Form.

4. Map or Schematic of Camp Layout in Spill Contingency Plan

Comment:

The Spill Contingency Plan would be improved if it included a topographic map or schematic presenting the camp layout along with any fuel caches and the locations where spill response kits will be mobilized. Having a map or schematic will help regulators, project personnel, and the general public better understand how the Applicant will manage their fuel supply.

Recommendation:

Once it has been determined where the camp will be mobilized, the Applicant should provide a topographic map or schematic that provides a general layout of the camp infrastructure, fuel caches, spill response equipment, and if possible, any nearby water sources.

Prepared by David Abernethy