

Pēches et Océans

Fish Hubitat Management P.O. Llox 358 Igaluit, Nungvut XOA 0J ID

> Our file None reference NUO0485

February 8, 2002

Mr. John Bokich Kingoss Gold Corporation 802 E. Winchester, Suite 100 Murray, Utah 84107 USA Tel (801) 290-1112 Fax (801) 290-1102

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RE: NWB File NWB2GEO9702, Renewal of Water Licence Application, Mineral Exploration and Advanced Drilling, Geologic analysis and Site Clean Up for George Lake Camp.

Dear Mr. Bokich.

This letter is to advise that The Department of Fisheries and Oceans, Fish Habitat Management (DFO-FHM) received the project proposal, submitted by the Nunavut Water Board to begin site clean up, geological analysis, and exploratory and advanced drilling in the George Lake area. As per our telephone conversation, Februaury 8, 2002, exploration plans would not be taking place this year and a timeline for this activity has not been specified. The proposed camp clean up is to take place in July or August of 2002. DFO-FIIM's assessment takes into consideration primarily fish and fish habitat related concerns. I have reviewed the plans for the proposed work.

Operations in or near water may result in the harmful alteration, disruption or destruction of fish habitat, which is prohibited under Section 35 of the Fisheries Act. The following mitigation measures, along with mitigation measures indicated in the project proposal, are intended to prevent any potentially harmful impacts to fish and fish habitat:

- All disturbed areas should be stabilized and re-vegetated as required, upon completion of work, and restored to a pre-disturbed state.
- If artesian flow is encountered, drill holes should be plugged and permanently sealed upon completion of the project.
- When using explosives, please follow the Guidelines for the Use of Explosives In or Near Water (DFO, 1998) available on request. If, for any reason these guidelines cannot be followed, please contact DFO, as an Authorization may be required.

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- If the drilling requires water in sufficient volume that the source waterbody may be
 drawn down please submit details (volume required, size of waterbody, etc.) to DFOFHM for review. DFO-FHM does not recommend the use of streams as a water
 source.
- All water intakes should be properly screened to prevent the entrainment of fish.
 Refer to the Freshwater Intake End-of-Pipe Fish Screen Guideline (DFO 1995), available on request.

Depositing deleterious substances into fish bearing waters is prohibited as stated under Subsection 36(3) of the *Fisheries Act*. The following are additional measures to mitigate habitat disturbance or loss as well as the deposition of deleterious substances.

- Sediment and erosion control measures should be implemented prior to, and maintained during the work to prevent sediment entry into the water during a spring that.
- All wastes, drill cuttings, sewage containments, and fuel caches should be located a
 minimum of thirty (30) metres from the normal high water mark of any water body,
 and be sufficiently bernned or otherwise contained to ensure that these substances do
 not enter any water body.
- Drill cuttings should be disposed of in a sump such that they do not enter any water body. The use of biodegradable, salt free drill additives is encouraged over nonbiodegradable types.
- All activities, including maintenance procedures and refuelling, should be controlled to prevent the entry of petroleum products or other deleterious substances into the water.
- All spills of oil, fuel, or other deleterious material should be reported immediately to the 24-Hour Spill Line at (867) 920-8130.

If the proposed work is carried out as described in the plans provided to DFO-FHM and if the additional mitigation measures specified above are implemented, the proposed work will not be considered as contravening Subsection 35(1) of the Fisheries Act which reads:

"No person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat."

Therefore, an authorization under Subsection 35(2) of the Fisheries Act will not be necessary. If a harmful alteration, disruption or destruction of fish habitat and/or the deposition of deleterious substances into fish bearing waters occurs as a result of a change in the plans for the proposed works or failure to implement the additional mitigation measures specified above, prosecution under Subsection 35(1) and/or Subsection 36(3) of the Fisheries Act may be initiated.

If you have any questions concerning the mitigation measures or should there be any changes to the proposed work, please contact me at (867) 979-8011 or Jordan Degroot at (867) 979-8007 or contact us by fax at (867) 979-8039.



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Sincerely,

Stephanie Thompson Area Habitat Biologist

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Eastern Arctic Area

c.c. Jordan DeGroot- Fish Habitat Management Rita Becker-Licensing Administrator, NWR Winston Fillatre- A/C&P Supervisor/Fishery Officer