

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

Your file - Votre référence 2BE-GEO0210 Our file - Notre référence File # / CIDMS # 161080

August 15, 2007

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Re: 2BE-GEO0210, Dundee Precious Metals Inc. –George Lake Project- Spill Contingency Plan

Indian and Northern Affairs Canada (INAC) reviewed of the Dundee Precious Metals Corporation's Spill Contingency Plan for the George Lake Project submitted to the Nunavut Water Board (NWB). In conducting our review INAC has made reference to all documents on the Nunavut Water Board's FTP-site under 2BE-GEO0210. There was no Spill Contingency Plan for the George Lake Project found on the Nunavut Water Board's FTP-site under 2BE-GEO0210. The only Spill Contingency Plan found under this file was for Back River Goose. INAC recommends that Dundee Precious Metals Inc. submit a Spill Contingency Plan referencing the George Lake Project. As the Spill Contingency Plan for Back River Goose was used, recommendations have been noted.

Sections 2.3, Solid Waste, of the Spill Contingency Plan states "combustible solid wastes generated from the camp activities are incinerated". INAC recommends that an approved incinerator should be used for the disposal of combustible wastes.

Section 3.3, Fuel, of the Spill Contingency Plan notes seven (7) ways to minimize spills during fuel handling, transfer or storage operations. INAC suggests using a spill tray when conducting fuel transfers, to minimize the possibility of polluting freshwater with spilled hydrocarbons.

Section 5.2, Fuel Spill, of the Spill Contingency Plan should make certain that all fuel catches be located above the high mark of any water body. Further, it is recommended that some form of secondary containment, such as self-supporting berm, be used when storing barreled fuel onsite.

Section 6.2, Spill Kits, of the Spill Contingency Plan should make reference that a copy of the Fuel Management, Spill Contingency Plan, and spill kits should be located at all fuel sites, even temporary locations, i.e. drill sites.

Section 7.0, Response Action, of the Spill Contingency Plan should make reference to the Nunavut Spill Report Line and provide a copy of the Nunavut Spill Report Form in the project's Spill Contingency Plan. This form can be retrieved from the Nunavut Water Board



public registry at http://nunavutwaterboard.org. Please note that the 24-hour Spill Report Line telephone number is (867) 920-8130 and facsimile number is (867) 873-6924. Furthermore, INAC requests the proponent report all spills to both the Nunavut Spill Report Line and Peter Kusugak, INAC Manager of Filed Operations, phone: 867-975-4295, fax 867-975-4560.

Section 10.0, Action Plan for Spill of Diesel or Jet Fuel, of the Spill Contingency Plan should ensure all hazardous materials, including waste oil, receive proper treatment and disposal at an approved facility.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by email at CullA@ainc-ianc.qc.ca.

Sincerely,

Original Signed By

Andrea Cull Water Management Specialist

Cc J. Rogers, Manager Water Resources

