



NIRB File No.: 04RN015
INAC File No.: N2004F0006
KIA File No.: KTL304F049

April 22, 2009

Honourable Minister Chuck Strahl
Minister of Indian and Northern Affairs Canada
c/o Joseph Monteith
Indian and Northern Affairs Canada
Land Administration
Iqaluit, NU

Via email: Joseph.Monteith@inac-ainc.gc.ca

Re: Extension Request for Dundee Precious Metals Inc.'s Land Use Permit with INAC for their "Winter Road between George Lake and Goose Lake" project

Dear John Craig:

On April 7, 2009 the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC) for an extension to Dundee Precious Metals Inc.'s Land Use Permit for their "Winter Road between George Lake and Goose Lake" project.

The original application for the above project was received by the NIRB from the Kitikmeot Inuit Association (KIA) on February 20, 2004 and from INAC on February 25, 2004. The proposal was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement. On April 7, 2004 the NIRB issued a 12.4.4(a) screening decision to both KIA and INAC allowing the proposed construction of an 85.5 km long winter road between George Lake and Goose Lake in the Back River area for the transportation of equipment and supplies to and from both camps to proceed subject to project-specific terms and conditions. Also, on May 9, 2008 the NIRB received an application from INAC for an extension to the project proposal and on May 26, 2008 the NIRB confirmed that the original terms and conditions from the April 7, 2004 decision would continue to apply.

The original NIRB screening file, 04RN015 is available from the NIRB's ftp site at the following link:

http://ftp.nirb.ca/SCREENINGS/COMPLETED%20SCREENINGS/ARCHIVE/2004_SCREENINGS/04RN015-Miramar%20Bathurst%20Resources%20Ltd.,%20Winter%20Road/

After reviewing the information submitted by INAC, the NIRB has determined that the proposed extension does not *significantly* change the general scope of the original project activities. Therefore, the NIRB is confirming that the original terms and conditions as those in the attached

April 7, 2004 Screening Decision would continue to apply to the extended Land Use Permit.

If you have any questions or concerns, please do not hesitate to contact the NIRB's Technical Advisor Sophia Granchinho at sgranchinho@nirb.ca, or by phone at 867-983-4607.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff Rusk', is positioned to the left of a vertical red line.

Jeff Rusk
Director, Technical Services

for:

Stephanie Autut
Executive Director

cc: Dan Russell, Dundee Precious Metals Inc.
Stanley Anablak, Kitikmeot Inuit Association

Attachment: NIRB Screening Decision Report, NIRB File No. 04RN015 (April 7, 2004)



SCREENING DECISION

April 7, 2004

Hon. Andy Mitchell
Minister for Indian and Northern Affairs
Ottawa, ON

Dear Minister:

**RE: Screening Decision of the Nunavut Impact Review Board (NIRB) on Application:
NIRB: #04RN015 DIAND: #N2004F0056
Winter Road Between George Lake and Goose Lake - Miramar Bathurst Resources
Authority:**

Section 12.4.4 of the Nunavut Land Claim Agreement states:

Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the President in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or
- d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned.

Primary Objectives:

The primary objectives of the Nunavut Land Claims Agreement is referenced in the screening section 12.4.4 (a) are set out in section 12.2.5 of the Land Claims Agreement. This section reads:

In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of the residents of Canada outside the Nunavut Settlement Area.

The decision of the Board in this case is 12.4.4 (a) **the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;**

Reasons for Decision:

NIRB's decision is based on specific considerations that reflect the primary objectives of the Land Claims Agreement. Our considerations in making this decision included:

- the movement of vehicles and equipment, and their impact on wildlife;
- the movement of vehicles and equipment and their impact on the terrain;
- impact to archaeological and cultural landmarks;
- storage and disposal of fuel, garbage, and sewage; and
- clean up and restoration upon abandonment.

Terms and Conditions:

- That the terms and conditions attached to this screening report will apply.

Wildlife

1. The Permittee shall not conduct any activity associated with the land use operation during critical periods of wildlife cycles (e.g. caribou migration, calving, fish spawning or raptor nesting).
2. That the Permittee shall ensure that there is no hunting along the winter roadway by employees of the company or any contractors hired.
3. The Permittee shall report any road kills or other wildlife problems to the nearest Renewable Resources Officer.
4. The Permittee shall not damage wildlife habitat in conducting this land use operation.
5. The Permittee shall ensure that the road alignment avoids known environmentally sensitive areas (denning, nesting etc.) by a minimum of 250 metres.
6. The harmful alteration, disruption or destruction of fish habitat is prohibited under the *Fisheries Act*.
7. The Permittee shall ensure compliance with Section 36 of the Fisheries Act which requires that no person shall deposit or permit the deposit of a deleterious substance on any type in water frequented by fish or in any place under any conditions where the deleterious substance may enter such a water body.

Environmental

8. The Permittee shall not use any material other than water in the construction of ice bridges. Stream crossings shall be removed or notched prior to spring break-up.
9. The Permittee shall remove all snow fills from stream crossings prior to spring break up.

10. The Permittee shall not allow any ice bridge to hinder the flow of water of any stream.
11. The Permittee shall scout all lines and select the best route prior to the movement of equipment.
12. The Permittee shall not move any equipment or vehicles without prior testing the thickness of the ice to ensure the lake is in a state capable of fully supporting the equipment or vehicles.
13. The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.
14. The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.
15. The Permittee shall suspend overland travel of equipment or vehicles if rutting occurs.
16. The Permittee shall construct and maintain winter roads with a minimum of ten (10) centimetres of packed snow at all times during this land use operation.
17. The Permittee shall confine the line to a maximum width of 10 metres unless otherwise authorized in writing by a land use inspector.
18. The Permittee shall offset vehicle travel in areas without a snow covered surface.
19. The Permittee shall ensure that stream crossings are located to minimize approach grades. Bank disturbance is to be avoided, and mechanized clearing should not be done immediately adjacent to any watercourse.
20. The Permittee shall not erect camps or store material on the surface ice of lakes or streams.

Archaeology

21. The Permittee shall follow all terms and conditions for the protection and restoration of archaeological resources as outlined by the Department of Culture, Language, elders and Youths (CLEY) see the attached letter.

Attachments

22. The Permittee shall refer to the attached Fisheries and Oceans letter of advice addressed to the Permittee.

Waste

23. Permittee shall keep all garbage and debris in a covered metal container until disposed of.
24. The Permittee shall not place any petroleum fuel storage containers within thirty (30) metres of the normal high water mark of any water body.
25. The Permittee shall not allow petroleum products to spread to surrounding lands or waterbodies.
26. The Permittee shall have one extra fuel storage container on site equal to, or greater than, the size of the largest fuel container.

27. The Permittee shall have a spill contingency plan in place prior to commencement of the land use operation. Waste tracking, or "manifesting" should be implemented to ensure proper use, storage, and management of materials.
28. The Permittee shall report all spills immediately to the Twenty four (24) hour spill report line (403) 920-8130.
29. The Permittee shall ensure that all ethylene glycol (antifreeze) is managed in accordance with the Environmental Protection Act (EPA) of NWT, and Transportation of Dangerous Goods Act (TDGA).
30. The Permittee shall ensure that all spills are contained and completely cleaned up with shovels and absorbent rags and that any leaks detected are repaired and monitored at all times.
31. The Permittee shall ensure that the land use area is kept clean and tidy at all times.

Reclamation

32. The Permittee shall remove from Territorial Lands, all scrap metal, discarded machinery and parts, barrels and kegs, buildings and building material upon abandonment.
33. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of the permit.

Other Recommendations

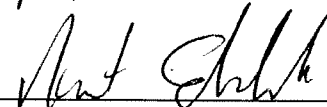
1. NIRB would like to encourage the proponent to hire local people and services, to the extent possible.
2. NIRB advises the Permittee to consult with the local residents regarding their activities in the region.
3. Any amendment requests deemed by NIRB to be outside the original scope of the project will be considered as a new project.

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated April 2/04 at Cambridge Bay, NU



Albert Ehloak, A/ Chairperson