



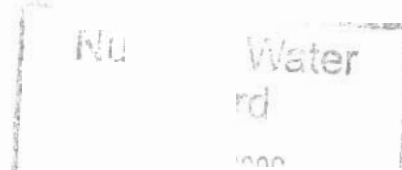
Environment
Canada

Environnement
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Environmental Protection Branch
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August 16, 2002

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Public Registry



AUG 16 2002

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Re: **Water Licence NWB2HEE - Diamondex Resources Ltd.. - Mineral Exploration and Camp - Heeqou Property, vicinity of Takiyuak Lake, Kitikmeot, NU.**

On behalf of the Environmental Canada I have reviewed the information submitted with the above application, and recommend the following conditions for inclusion in the water Licence. This advice is provided pursuant to Section 12(3) of the *Canadian Environmental Assessment Act*, and is based primarily on Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act* and the *Migratory Birds Convention Act*.

Comments and Recommendations

NWB and the proponent have failed to provide the following information for review:

1. Spill contingency plan detailing operational practices for the handling of fuel which should include the statement that all spills are to be documented and reported to the NWT 24-hour spill Report Line number (867) 920-8130.
2. Water usage, quantity of water to be used and disposal source.
3. A detailed description of proposed undertaking; including camp layout and sump location relative to water, contact list, and the mode of transportation while on location.
4. Indicate how the drill equipment will be transportation to the drill sites.

The missing information may have been available on the ftp internet site at <ftp://ftp.nwb.yk.com>, but I was unable to access the documents. The following conditions should be included throughout all phases of the proposed project.

- Meeting the requirements of the Federal *Fisheries Act* is mandatory, irrespective of any other regulatory or permitting system. Section 36(3) of the *Fisheries Act* specifies that unless authorized by federal regulation, no person shall deposit or permit the deposit of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any other deleterious substance that results from the deposit of the deleterious substance, may enter any such water.

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- If an artesian flow is encountered, core-drill holes shall be plugged and permanently sealed upon project termination. Poor quality ground water from one aquifer may contaminate another or in some cases flowing conditions at the surface can create large washouts or quicksand conditions.
- Drilling wastes from land-based drilling shall be disposed of in a sump such that they do not enter any waterbody.
- For on-ice drilling, return water released to the lake must be non-toxic, and not result in an increase in total suspended solids in the immediate receiving waters of the lake above Canadian Council of Ministers for the Environment Guidelines for the Protection of Freshwater Aquatic Life (ie. 10mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100 mg/L).
- Drilling additives or mud shall not be used in connection with holes drilled through the lake ice unless they are re-circulated or contained such that they do not enter the water, or demonstrated to be non-toxic.
- The permittee shall not store material on the surface ice of streams or lakes.
- Environment Canada recommends that all fuel storage be equipped with secondary containment and the other hazardous materials be stored in such a manner as to prevent their release into the environment.
- Environment Canada recommends the use of an approved incinerator.

Changes in the proposed or permitted activities associated with this water licence application would require further review. I can be contacted at (867) 669-4736 (by e-mail at wade.romanko@ec.gc.ca) for any questions or comments with regard to the foregoing.

Yours truly,



Wade Romanko
Aquatic Environmental Officer
Environmental Protection Branch - Northern Division