



NIRB File No.: 08EN067
KIA File No.: KTL308C008
INAC File No.: N2007C0009
NWB File No.: 2BE-HG0712

February 15, 2010

Charlie Evalik
President, Kitikmeot Inuit Association
c/o Stanley Anablak
Lands Officer, Kitikmeot Inuit Association

Via email: sanablak@qiniq.com

Re: Application Exempt from Screening under Section 12.4.3 of the NLCA: MMG Resources Inc.'s "MolyMag Campsite" project proposal

Dear Stanley Anablak:

On January 13, 2010 the Nunavut Impact Review Board (NIRB) received an application from the Kitikmeot Inuit Association (KIA) for MMG Resources Inc.'s (MMG or the Proponent; previously Oz Minerals) "MolyMag Campsite" project proposal. The application is for an amendment to MMG's existing KIA land use license (KTL308C008).

Please be advised that the original project proposal (**NIRB File No.: 08EN067**) was received by the NIRB from the KIA on June 11, 2008. The proposal was screened in accordance with Part 4; Article 12 of the Nunavut Land Claims Agreement (NLCA) and on September 9, 2008 the NIRB issued a 12.4.4(a) screening decision to the Minister of KIA indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The KIA application, the original NIRB screening file and Screening Decision, 08EN067 are available from the NIRB's ftp site at the following link: http://ftp.nirb.ca/SCREENINGS/COMPLETED%20SCREENINGS/ARCHIVE/2008_SCREENINGS/.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

On January 18, 2010 the Nunavut Impact Review Board (NIRB or Board) distributed MMG Resources Inc.’s “MolyMag Campsite” project proposal to the public, requesting that interested parties review the proposal and provide comments to the NIRB by January 28, 2010 (later extended to February 8, 2009 at the request of parties). The following is a summary of comments received.

Environment Canada (EC):

- EC states that comments and recommendation submitted for the project on August 28, 2008 in response to the NIRB Part 4 Screening (08EN067) would apply to this amendment application.
- EC recommends raw sewage should not be burned in batch incinerators as raw sewage has high moisture content and low heat content that will lead to poor incinerator performance. It is unlikely that the sewage will be completely combusted and could lead to the release of pathogens into the environment and present health hazards to workers.
- EC recommends raw sewage be burned in incineration equipment designed for this type of waste and if MMG decides to pursue sewage sludge incineration it should provide the Board with the design specifications and a letter from the manufacturer stating that the equipment is suitable for burning that type of waste. Information from the manufacturer should include type of incinerator (make, model, year, etc.) and the types and quantities of waste to be burned.
- EC recommends the use of an approved incinerator for the disposal of combustible camp wastes.
- EC notes that the number listed for Environment Canada in Section 4.0, page 5 of the Spill Contingency Plan should be updated to 867-975-4644

Kugluktuk HTO

- The Kugluktuk HTO recommends the Proponent should cease activities that may interfere with caribou migration.

Kitikmeot Inuit Association (KIA)

- KIA believes the project is unlikely to result in significant adverse effects and the project is unlikely to arouse significant public concern and suggests the Proponent should inform the affected community(ies) and hire local Inuit.

After completing a review of the information provided and the comments received, the NIRB is of the understanding that the application received from the KIA does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original September 9, 2008 Screening Decision Report (enclosed).

If you have any questions or concerns, feel free to contact the NIRB’s Assistant Technical Advisor, Wynter Kuliktana, at (867) 983-4609 or wkuliktana@nirb.ca.

Best regards,

A handwritten signature in black ink, appearing to read 'Stephanie Autut', enclosed within a faint rectangular border.

Stephanie Autut
Executive Director

cc: Jason Rickard, MMG Resources Inc. (Jason.rickard@mmgroupltd.com)

Enclosure: NIRB Screening Decision Report, File No.: 08EN067 (September 9, 2008)