Environment Canada Prairie and Northern Region #301-5204 50th Ave. Yellowknife, NT X1A 1E2

July 14th, 2008

Richard Dwyer Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

Re: Zinifex Canada Inc. – High Lake Project – Amendment 2 – Type B Water Licence

Our File: 4703001032 Your File: 2BE-HIG0712

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the Canadian Environmental Protection Act, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Zinifex Canada Inc. has applied for an amendment to their existing water licence to expand the area of work to a group of claims further to the south and to some claims to the south-east of the current permit.

Environment Canada does not have any concerns with the proposed amendment request by Zinifex Canada Inc., as long as all current conditions remain. However, while reviewing the current water licence, EC did note that under Part D, Section 3, the Licensee is authorized to dispose of all acceptable food waste, paper waste and untreated wood products in an incinerator. Following that, under Part D, section 8 (which also relates to section 9) the licence states that ".... the Licensee shall contain all toilet wastes in latrine pits or use incineration, chemical, portable or composting toilets....". Through email correspondence with Jason Rickard, Zinifex Canada Inc. states that sewage is being burn in a Westland 1020-FA-D incinerator. This model is a single chamber forced air incinerator. Environment Canada contacted the manufacturer regarding the suitability of burning sewage in this type of incinerator. Westland confirmed that this incinerator model was not designed to burn sewage and that sewage should not be burned in it. The combustion of sewage will likely be incomplete and could lead pathogens being released to the environment through incinerator fly ash. Environment Canada recommends that Zinifex Canada Inc. cease burning sewage and use a more appropriate disposal method.

If you have any further questions regarding the foregoing please contact Savanna Levenson at (867) 669-4772 or via email at savanna.levenson@ec.gc.ca.



Yours truly,

Savanna Levenson Environmental Assessment Specialist Environmental Protection Operations

c.c: Carey Ogilvie, Head EA North, Environment Canada Anne Wilson, Water Pollution Specialist, Environment Canada Dave Fox, Air Issues Specialist, Environment Canada