



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

NWB file - Votre référence
2BE-HIG0712 - Renewal

AANDC file - Notre référence
IQALUIT - # 522241

April 13, 2012

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

Re: Water Licence No. 2BE-HIG0712, Renewal Application – High Lake Project – MMG Resources Inc. – Kitikmeot Region

Aboriginal Affairs and Northern Development Canada (AANDC) has performed a review of MMG Resources Inc's renewal application for water licence number 2BE-HIG0712 – High Lake Project, located in the Kitikmeot region. The Nunavut Water Board distributed the application for comment on March 14, 2012. The following comments are provided pursuant to AANDC's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

In conducting this review, I have referred to all documents on the Nunavut Water Board's FTP site as it relates to 2BE-HIG. Attached is a Technical Review Memorandum for your consideration.

Please feel free to contact me should you have any questions or comments. I can be reached at 867.975.4566 or by email at Andrea.Cull@aandc-aadnc.gc.ca.

Sincerely,

Originally signed by

Andrea Cull
Pollution Policy Specialist, AANDC

Cc: Murray Ball, Manager of Water Resources, AANDC
Andrew Keim, A/Manager of Field Operations, AANDC

Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board
From: Andrea Cull – Pollution Policy Specialist, Aboriginal Affairs and Northern Development Canada

Re: Water Licence No. 2BE-HIG0712, Renewal Application – High Lake Project – MMG Resources Inc. – Kitikmeot Region

Background

MMG Resources Inc. “*the Proponent*” has submitted an application for a renewal water licence number 2BE-HIG – High Lake Project, located in the Kitikmeot region. The Proponent is interested in continuing exploration work in the area.

MMG Resources Inc has been conducting exploration work at High Lake for several years under the Land Use Permit #N2007C0009 and Water Licence #2BE-HIG0712. (New Land Use Permit #N2011C0033 – Expiry January 29, 2014).

The existing camps at High Lake and the newer High Lake East site will continued to be used throughout the exploration activities (at this time there are no plans of expansion).

Recommendations/Comments

On behalf of the AANDC Water Resources Division the following comments/recommendations are provided for the Board’s consideration,

- **Waste**

Hazardous Waste

AANDC recommends that Hazardous waste/waste oil materials and hydrocarbon contaminated soil stored on-site should be clearly labeled with labels visible under all conditions and in all seasons. This recommendation is intended to prevent possible damage or misplacement of the containers.

AANDC recommends that the Proponent remove all hazardous materials/waste oil from the site on a regular basis to prevent the over accumulation of these materials. Hazardous waste/waste oils must be disposed of at an approved facility outside of the Territory of Nunavut (no known facilities within Nunavut). All transfer of this type of waste must be in accordance with the GN’s “Guideline for General Management of Hazardous Waste - January, 2002”. In addition hazardous wastes should be stored within a lined

secondary containment structure to prevent any off site impacts (other secured structures would also be acceptable).

AANDC recommends that the Proponent be required to submit copies of all manifest forms related to the transport of hazardous waste/waste oil as part of the Annual Report for this site.

Greywater and Drilling Wastes

AANDC recommends that all sumps for the disposal of grey water or drilling wastes shall be located a minimum distance of 31 metres from any water body and shall be managed to ensure that there are no adverse effects to the quality, quantity and flow of water. Furthermore, all sumps shall be backfilled and contoured to match the surrounding landscape prior to the end of the project.

- **Incineration**

No Open Burning

According to Environment Canada's (EC) Technical Document for Batch Waste Incineration Guidelines, there should be no open burning of plastics, wood treated with preservatives, electrical wire, Styrofoam, asbestos or painted wood. This is to prevent the deposition of waste materials from incomplete combustion and/or leachate from contaminated ash residues from affecting any surrounding waters.

Incineration

AANDC recommends the Nunavut Water Board consider specifying a mode of incineration. This would provide greater clarity to the Proponent, and ensure waste is incinerated appropriately as to avoid possible leaching into surrounding waters from improperly burnt ash, and the excessive deposition of particulate matter into watersheds which could adversely affect water quality. For camps of 10 to 50 people or greater, it is generally advised to use a dual chamber forced-air incinerator or a dual chamber controlled-air incinerator. The new proposed exploration camp will house 10-15 people

EC's Technical Document for Batch Waste Incineration Guidelines recommends that a facility incinerating more than 26 tons of waste per year should do so with a dual chamber, controlled air incinerator. The Proponent shall make determined efforts to achieve compliance with the Canada-Wide Standards for Dioxins and Furans and the Canada-Wide Standard for Mercury Emissions. Efforts should include the implementation of a comprehensive waste management strategy (especially waste segregation)

that is designed to reduce and control the volumes of wastes produced, transported, and requiring disposal.

- **Drilling**

Prior to the commencement of diamond drilling the Proponent shall submit to the Inspector proposed drill targets on a 1:50,000 scale map with the coordinates and map datum.

If drilling extends through the permafrost base, AANDC recommends the Nunavut Water Board request the Proponent to provide the drill locations and depth of the permafrost in their annual report to the Board.

- **Spill Contingency Plan**

The Spill Contingency Plan should make reference to the Nunavut Spill Report Line and include a copy of the Nunavut Spill Report Form. This form can be obtained from the Nunavut Water Board public registry at <http://www.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, AANDC requests the Proponent report all spills to the Manager of Field Operations/AANDC, by phone at 867.975.4295 and by fax at 867.975.6445, as well as the Nunavut Spill Report Line.

- **Additional Comments**

AANDC has no additional comments on the water licence renewal application and suggests that the existing terms and conditions of the existing water licence (2BE-HIG0712) and amendments 1, 2 & 3 that go along with this licence would be appropriate.

Prepared by Andrea Cull

Cc: Murray Ball, Manager of Water Resources, AANDC
Andrew Keim, A/Manager of Field Operations, AANDC